

94 0080

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

JUL 14 1994

UNIVERSITY OF CALIFORNIA

HOUSING ELEMENT



DEPARTMENT OF CITY PLANNING LOS ANGELES CALIFORNIA

DRAFT
HOUSING ELEMENT
1989-1994

AN ELEMENT OF THE GENERAL PLAN
OF THE CITY OF LOS ANGELES

Approved by Planning Commission, October 14, 1993
Adopted by the City Council, Nov. 16, 1993

DRAFT
HOUSING ELEMENT
1964-1974

AN ELEMENT OF THE GENERAL PLAN
OF THE CITY OF LOS ANGELES

DRAFT

HOUSING ELEMENT

CITY OF LOS ANGELES

Richard Riordan

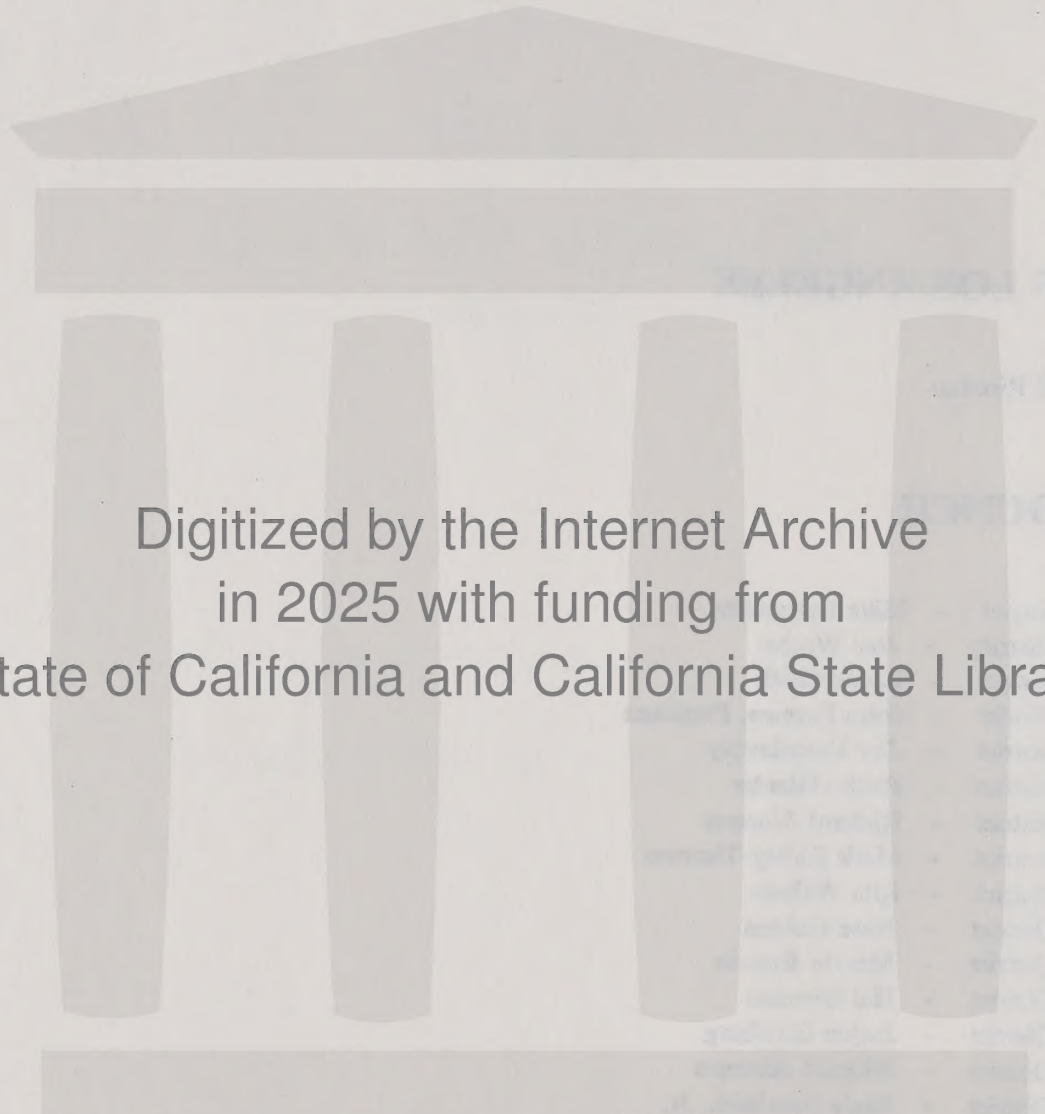
CITY COUNCIL

1st District	-	Mike Hernandez
2nd District	-	Joel Wachs
3rd District	-	Laura Chick
4th District	-	John Ferraro, President
5th District	-	Zev Yaroslavsky
6th District	-	Ruth Galanter
7th District	-	Richard Alarcon
8th District	-	Mark Ridley-Thomas
9th District	-	Rita Walters
10th District	-	Nate Holden
11th District	-	Marvin Braude
12th District	-	Hal Bernson
13th District	-	Jackie Goldberg
14th District	-	Richard Alatorre
15th District	-	Rudy Svorinich, Jr.

CITY PLANNING COMMISSION

Marna Schnabel, President
Les Hamasaki, Vice President
Robert L. Scott, Commissioner
Shelly S. Suzuki, Commissioner
Anthony N.R. Zamora, Commissioner

DRAFT
HOUSING ELEMENT



Digitized by the Internet Archive
in 2025 with funding from
State of California and California State Library

<https://archive.org/details/C101744707>

DEPARTMENT OF CITY PLANNING

Con Howe, Director
Franklin P. Eberhard, Deputy Director
Melanie S. Fallon, Deputy Director
Robert H. Sutton, Deputy Director

Citywide Planning Division

R. Ann Siracusa, Division Manager
Sarah A. Rodgers, Senior City Planner

Housing Element Revision Staff:

Richard Ferguson, Project Manager
Cheryl Rogers, City Planning Associate
Joseph Vasquez, City Planning Associate*
Margaret B. Diop, City Planning Associate*
Laura Frazin, Planning Assistant*
Andrew Montcalgre, City Planner*
Charles M. Montgomery, Senior City Planner*

Systems and Mapping Division

Farhad Abolfathi, OSRA II
Jeff Beckerman, OSRA II

Graphics Design Services Section

Mort Meyerson, Planning Graphics Supervisor
Robert Sanchez, Graphic Designer III
Luis Quinones, Graphic Designer II

SUPPORT STAFF

Theresa Lopez

CITY PLANNING COMMISSION/AFFORDABLE HOUSING COMMISSION SUBCOMMITTEE

Theodore Stein, Jr.
Fernando Torres-Gil
Jacquelyn DuPont-Walker
Anthony Zamora
Lydia Kennard

* Former Staff

DEPARTMENT OF CITY PLANNING

Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division

Graphic Planning Division

Chief, Graphic Planning Division
Assistant Chief, Graphic Planning Division

Planning Division Staff

Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division
Assistant Chief, Planning Division

Systems and Mapping Division

Chief, Systems and Mapping Division
Assistant Chief, Systems and Mapping Division

Graphic Design Section

Chief, Graphic Design Section
Assistant Chief, Graphic Design Section
Assistant Chief, Graphic Design Section
Assistant Chief, Graphic Design Section

SUPPORT STAFF

Chief, Support Staff
Assistant Chief, Support Staff

CITY PLANNING COMMISSION / AFFORDABLE HOUSING COMMISSION SUBCOMMITTEE

Chairman, Subcommittee
Vice Chairman, Subcommittee
Member, Subcommittee
Member, Subcommittee
Member, Subcommittee
Member, Subcommittee
Member, Subcommittee
Member, Subcommittee

HOUSING ELEMENT TECHNICAL ADVISORY COMMITTEE

Farhad Abolfathi
Systems and Mapping Division
City Planning Department

Neelura Bell
Assistant Housing Coordinator
Office of the Mayor

Michael Bodaken
City Housing Coordinator
Office of the Mayor

Alice Callaghan
Las Familias del Pueblo

Joe Carreras
Southern California Association of Governments

Patricia Clemens
Housing and Community Services Division
Office of the City Attorney

Anthony DeClue
Assistant General Manager
Department of Aging

Karl Deppe
Earthquake Safety/Hazardous Buildings Division
Department of Building and Safety

Ralph Esparza
Housing Division
Housing Preservation and Production Department

Denise G. Fairchild, Ph.D
Local Initiatives Support Coalition

James Fleck
Rent Stabilization Division
Housing Preservation and Production Department

Sgt. Robert Gandy
Long Range Planning Unit
Los Angeles Police Department

Channa Grace
Housing Consultant

Hala Guirguis
Structural Engineering Plan Checking Division
Department of Building and Safety

Gerry Hertzberg
First Council District

HOUSING ELEMENT TECHNICAL ADVISORY COMMITTEE

Technical Advisor
Department of Housing
City Planning Commission

Member
Department of Housing
City Planning Commission

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Member
City Planning Commission
Office of the Mayor

Robert Janovici
Chief Zoning Administrator
City Planning Department

Arthur Johnson
Bureau of Community Safety
Department of Building and Safety

Lesley Lambert
Housing Division
Community Redevelopment Agency

Mike Lee
Inspection Division
Department of Building and Safety

Joe Lopez
Office of the Chief Legislative Analyst

Anne Murphy
Southern California Association of Non-Profit Housing

Vic Pencia
Bureau of Community Safety
Department of Building and Safety

Jon Perica
Office of Zoning Administration
City Planning Department

Rhonda Pharr
Policy Analyst
Housing Preservation and Production Department

Steve Renahan
Section 8 Program
Housing Authority of the City of Los Angeles

Candy Rupp
Skid Row Housing Trust

Mike Savko
Fire Department

Daniel Scott
Neighborhood Planning Division
City Planning Department

Jack Sedwick
Design and Development Division
City Planning Department

Joseph Shuldiner
Executive Director
Housing Authority of the City of Los Angeles

Garner Smith
Office of the Chief Legislative Analyst

Laurie Speese
Neighborhood Housing Services

Gary Squier
General Manager
Housing Preservation and Production Department

Robert H. Sutton
Neighborhood Planning Division
City Planning Department

Richard Wirth
Executive Director
Government Affairs Council

Barbara Ziedman
Assistant General Manager
Housing Preservation and Production Department

With Special Thanks for their contributions we include the following:

Maya Dunne
Director Planning and Policy Unit
Housing Preservation and Production Department

Leslie Lambert
Housing Manager, Policy and Development
Community Redevelopment Agency

Glenda Low
Project Manager
Shelter Partnership, Inc.

John McCoy
Director of Housing
Community Redevelopment Agency

Dave Perel
Finance Officer
Housing Preservation and Production Department

Anson Snyder
Housing Planning and Economic Analyst
Housing Preservation and Production Department

TABLE OF CONTENTS

CHAPTER I - INTRODUCTION

PURPOSE OF THE GENERAL PLAN	1
STATE REQUIREMENTS	1
ORGANIZATION AND CONTENT OF THE PLAN	2
<u>Citywide General Plan Framework</u>	2
<u>Primary Citywide Elements</u>	2
<u>Secondary Citywide Elements</u>	3
<u>Community and Neighborhood Plans</u>	3
INTERNAL CONSISTENCY	4
RELATIONSHIP TO OTHER DOCUMENTS	4
COUNCIL ADOPTION PROCEDURES	5
<u>Preparation</u>	5
<u>Commission Approval</u>	5
<u>Council Adoption</u>	5
<u>City Planning Guiding Principles</u>	5
CITIZEN PARTICIPATION	5
REGIONAL CONTEXT	6

CHAPTER II - BACKGROUND 8

STATUTORY REQUIREMENTS	8
BACKGROUND OF THE HOUSING ELEMENT	8
PLANNING AREA	9
INTERGOVERNMENTAL COORDINATION	9
HISTORIC CONTEXT	11
<u>Population</u>	11
<u>Employment</u>	18

CHAPTER III - NEEDS ASSESSMENT

MAJOR HOUSING ISSUES

<u>Introduction</u>	21
<u>Affordability</u>	21
<u>Potential Loss of Federally Subsidized Housing Analysis</u>	22
<u>Analysis of At Risk Housing</u>	23
<u>Housing Element Requirements</u>	23
<u>Overview</u>	24
<u>Financing Programs</u>	25
<u>Federal</u>	25
<u>State and Local</u>	26
<u>Federal Incentives</u>	27
<u>State and Local Incentives</u>	28
<u>City of Los Angeles At-Risk Inventory</u>	29
<u>Analysis of At-Risk Projects</u>	29
<u>Replacement Versus Preservation Cost Analysis</u>	31
<u>Resources for Preservation</u>	32
<u>Preservation Objective</u>	34
<u>Housing Capacity and Production</u>	36
<u>Barriers</u>	37
<u>Opportunity/Accessibility</u>	37
<u>Liveable Neighborhoods for Everyone</u>	38
<u>Jobs/Housing Relationship</u>	38
<u>Housing Quality</u>	38

PROJECTIONS:

POPULATION, EMPLOYMENT AND HOUSING

<u>Subregion</u>	39
<u>City</u>	39
<u>1989-1994 Projected New Construction Needs</u>	40

HOUSEHOLD CHARACTERISTICS

<u>Level of Payment Compared to Ability to Pay</u>	42
<u>Existing Need</u>	42
<u>Affordability</u>	43
<u>Overcrowding</u>	43
<u>Housing Stock Condition</u>	
<u>Substandard Units</u>	45
<u>Code Violations</u>	45
<u>Slum Housing</u>	48
<u>Seismic Safety</u>	48
<u>Age of the Housing Stock</u>	49
<u>Public Housing Stock</u>	50

<u>Special Housing Needs</u>	
<u>Elderly</u>	51
<u>Disabled Population</u>	53
<u>Mentally Disabled</u>	54
<u>Developmentally Disabled</u>	54
<u>Physically Disabled</u>	55
<u>Homeless</u>	56
<u>Female-Headed Households</u>	63
<u>Large Families</u>	64
1. <u>Household Size and Overcrowding</u>	65
2. <u>Cost and Overpayment for Housing</u>	65
3. <u>Data Summary</u>	66
4. <u>Vacancy Rates</u>	66
5. <u>Recreational Needs of Large Families</u>	66
<u>Farmworkers</u>	66
<u>Persons Living With Aids</u>	68
<u>Special Needs Summary</u>	69

LAND FOR RESIDENTIAL DEVELOPMENT

<u>Zoning Capacity</u>	70
<u>The Current Situation</u>	70
<u>Range of Capacity Figures</u>	70
<u>The General Plan and AB 283</u>	70
<u>Difficulties in Calculating Current Capacity</u>	75
<u>Capacity on Vacant Sites</u>	75
<u>Capacity on Underdeveloped Sites</u>	76
<u>Housing Potential on Commercially-Zoned Parcels</u>	77
<u>Proposition U's Effect on Housing in Commercial Zones</u>	77
<u>Subdivisions, Zone Changes, and Plan Amendments</u>	77
<u>Analysis of Possible Constraints on Zoning Capacity</u>	78
<u>Zoning Code</u>	78
<u>Building Code</u>	78
<u>Conditional Use Permits</u>	78
<u>Height Limitations</u>	78
<u>The Slope Density Ordinance</u>	79
<u>Density Bonus</u>	79
<u>Interim Consistency Ordinances (ICOs)</u>	80
<u>Open Space and Parking Requirements</u>	81
<u>The Mixed Use Ordinance</u>	81
<u>Additional Discussion of Constraints</u>	81
<u>Anticipated "Realistic" Buildout</u>	81
<u>Geographic Analysis of Zoning Capacity</u>	82
<u>Theoretical and "Realistic" Capacity</u>	82
<u>Adjustment Factors</u>	85
<u>RHNA Allocation</u>	85
<u>Results</u>	85

<u>Adjustment Factors</u>	85
<u>RHNA Allocation</u>	85
<u>Results</u>	85
<u>Conclusions of Geographic Analysis</u>	85
<u>Recommendation for Future Study</u>	86
<u>Programs to Increase Zoning Capacity</u>	87
<u>Zoning Capacity: Summary</u>	88

ENERGY CONSERVATION 89

<u>The Energy/LA Action Plan</u>	89
<u>Jobs/Housing Balance</u>	89
<u>California Environmental Quality Act (CEQA)</u>	89
<u>RZ Residential Zero Side Yard Zone</u>	90
<u>California Administrative Code</u>	90
<u>Natural Gas Conservation</u>	90
<u>Water and Power Conservation</u>	91

CHAPTER IV - CONSTRAINTS TO DEVELOPMENT

POTENTIAL AND ACTUAL GOVERNMENTAL CONSTRAINTS 92

<u>AB 283 Program</u>	92
<u>Environmental Review</u>	93
<u>Moratoria and Interim Control Ordinances (ICOs)</u>	94
<u>Specific Plans</u>	95
<u>Slope Density Ordinance</u>	97
<u>Hillside Ordinance</u>	97

<u>Development Standards</u>	97
<u>Parking Requirements</u>	98
<u>Guest Parking Requirements</u>	99
<u>Open Space</u>	99
<u>Permit Processing Procedures</u>	99

Availability of Financing for Subsidized Housing 105

<u>Projected CRA Funding</u>	105
<u>Fiscal Year 94 Production Estimates</u>	107
<u>Other Funding Sources</u>	108
<u>Historical Residence Inventory</u>	109
<u>Programs to Overcome Constraints</u>	110
<u>Congestion Management Plan</u>	113
<u>Rent Control</u>	113
<u>Seismic Rehabilitation</u>	114
<u>Processing and Development Fees</u>	114

POTENTIAL AND ACTUAL NON-GOVERNMENTAL CONSTRAINTS	119
--	-----

<u>Construction Costs/Price of Land</u>	122
<u>Housing Discrimination</u>	127

CHAPTER V - ISSUES, GOALS, OBJECTIVES, AND POLICIES

ISSUE: AFFORDABILITY	131
ISSUE: HOUSING PRODUCTION AND CAPACITY	133
ISSUE: GOVERNMENTAL BARRIERS	136
ISSUE: OPPORTUNITY/ACCESSIBILITY	136
ISSUE: LIVEABLE NEIGHBORHOODS FOR EVERYONE	139
ISSUE: JOBS/HOUSING RELATIONSHIP	142
ISSUE: HOUSING QUALITY	143

CHAPTER VI - IMPLEMENTATION PROGRAMS

<u>PROGRAMS RELATED TO PRODUCTION</u>	146
<u>PROGRAMS RELATED TO PRESERVATION</u>	153
<u>PROGRAMS RELATED TO SPECIAL NEEDS</u>	163
<u>PROGRAMS RELATED TO LAND USE AND PLANNING</u>	170
PROGRAM SUMMARY TABLE	180

CHAPTER VII - REVIEW AND EVALUATION

<u>EVALUATION OF THE 1986 HOUSING PLAN</u>	183
<u>REVIEW AND EVALUATION OF THE 1984-89 HOUSING ELEMENT</u>	184
<u>MONITORING</u>	211
<u>MONITORING HOUSING UNITS IN THE COASTAL ZONE</u>	217

ENDNOTES	221
----------	-----

APPENDIX A - GUIDING PRINCIPLES

ATTACHMENT A - AT RISK ANALYSIS TABLES

October 14, 1993

LIST OF TABLES

<u>Table No.</u>	<u>Title</u>	<u>Page</u>
1	Annual Housing Goals	41
2	Future Housing Needs Factor	42
3	Existing Need Cap	44
4	Households Overpaying for Shelter	44
5	Correction Notices and Job Orders 88-89	47
6	Correction Notices and Job Orders 89-90	47
7	Average Building Age in City	50
8	Annual Estimate of Homeless	57
9	Nightly Estimate of Homeless	58
10	91-92 Cold/Wet Weather Shelters	59
11	Zoning Capacity Overview	71
12	Vacant Land Zoning Capacity	72
13	Theoretical Zoning Capacity	73
14	Realistic Zoning Capacity	74
15	RHNA Allocation	83
16	Zoning Capacity Utilization	84
17	Development Standards	100
18	List of Constraints and Programs	111
19	Sewerage Facilities Charges	115
20	Quimby Park Fees	115
21	Subdivision Fees	116
22	Selected Fee Schedule (Building & Safety)	117
23	Selected Fees- Planning	118
24	Affordable Monthly Housing Expense	121
25	Rental & Owner Unit Cost	124
26	Citywide Subsidy for Renters	125
27	Citywide Subsidy for Owners	125
28	Land Cost Per Unit by LMPA	126
29	Land Costs as % of Construction Costs	126
30	Housing Discrimination Complaints	129
31	Residential Segregation Measures	130
32	Program Summary Table	180
33	Planned No. of Units Rehabed	212
34	Actual No. of Units Rehabilitated-84-91	214
35	New Residential Construction - 80-89	216
36	CRA Multifamily Housing Inventory	218
37	Coastal Devel. Permits-By Year	219
38	Coastal Development Permits-By Area	220

LIST OF FIGURES

<u>Figure Nos.</u>	<u>TITLE</u>	<u>Page Nos.</u>
1	Map of MEIR Subregions	10
2	Annual Population Growth 1980-90	12
3	White/Non-Hispanic % Change/Area	13
4	Black/Non-Hispanic % Change/Area	14
5	Hispanic or Latino % Change/Area	15
6	Asian Non-Hispanic % Change/Area	16
7	Native American % Change/Area	17
8	No. Household Change by Plan Area	19
9	1990 Household Size by Plan Area	20
10	Percent Impacted Housing	67
11	Sample Evaluation Letter	210

CHAPTER I - INTRODUCTION

PURPOSE OF THE GENERAL PLAN

California state law requires each city and county to adopt a long-term comprehensive general plan which must be an integrated, internally consistent and compatible statement of goals, objectives, policies, and implementation programs which provides a basis for rational decision making regarding the City's long-term physical development. Preparing, adopting, and maintaining a general plan serves to:

- o Identify the community's environmental, social, and economic goals.
- o State the local government's policies on existing and future development needed to achieve community goals.
- o Establish within local government the ability to respond to problems and opportunities concerning community development in a way consistent with local, regional, and state goals and policies.
- o Inform citizens about their community and allow for opportunities to participate in the planning and decision-making process of local government.

- o Identify the need for and methods of improving the coordination of community development activities among all units of government.
- o Create a basis for subsequent planning efforts, such as the preparation of specific plans and special studies.

In 1971, a law passed requiring zoning and subdivision approvals to be consistent with the General Plan, giving it more of a legal status and causing city officials to seriously consider the general plan when adopting policies.

STATE REQUIREMENTS

Government Code Section 65302 and others establish a minimum list of issues a general plan must cover. Additional criteria are set forth in the General Plan Guidelines issued periodically by the State Office of Planning and Research.

To assure meeting the requirements of the Code and Guidelines, an initial draft of this Housing Element was submitted to the State Department of Housing and Community Development for review, and comments and concerns of this agency have been responded to in this revised version of the Element.

ORGANIZATION AND CONTENT OF THE PLAN

The general plan expresses the community development goals and policies relative to the distribution of future land use, both public and private. The plan integrates the citywide elements, community plans and neighborhood plans; and gives policy direction to the planning regulatory and proactive implementation programs.

The comprehensive general plan consists of a hierarchy of components in which each component guides the subsequent level and makes the policy direction more specific.

The five components of the City of Los Angeles comprehensive general plan include: 1) Citywide General Plan Framework, 2) Primary Citywide Elements, 3) Secondary Citywide Elements, 4) Community Plans, and 5) Neighborhood Plans.

Citywide General Plan Framework

Increasing population and economic growth, if left unchecked, could have serious impacts on the environmental quality of the City.

The Citywide General Plan Framework is the first component of the comprehensive general plan. This component brings the demands on the urban systems into equilibrium with the systems' capacities and maintains that balance in the future.

The Citywide General Plan Framework is the umbrella concept of the General Plan

which ties all of the components together by:

1. Establishing the inter-relationships between the many aspects of the urban ecological system;
2. Providing the policy framework for achieving and maintaining balance between the parts; i.e. managing growth;
3. Balancing the City's growth potential with its growth constraints;
4. Providing the linkage between land use, transportation, infrastructure (utility systems, sewer systems) economic vitality, urban form, revitalization, and capital improvements (street improvements, public facilities) programming; and
5. Establishing guidelines and mechanisms for a) managing the timing, phasing, financing and location of growth, b) ensuring the City's ability to serve development, in terms of infrastructure needs and human services, c) ensuring the quality of development, and d) monitoring, evaluating and adjusting the processes so the system can be dynamic and responsive to change.

The Citywide General Plan Framework will address the following inter-related factors and their interaction: centers/urban form, jobs/housing balance, growth/infrastructure balance, economic strategy, revitalization strategy, and capital improvements programming strategy.

Primary Citywide Elements

The second component of the comprehensive general plan provides long-range citywide policy direction, taking into account citywide goals and needs. This component also

guides the more detailed Community and Neighborhood Plans. The City of Los Angeles' Plan organizes the seven state-mandated elements and other optional elements into two categories, primary and secondary.

The Primary Citywide Elements interact to affect the type, location, and intensity of land uses and the timing and phasing of development. For example, the ability of any particular circulation system to move goods and people through the City sets limits on the amount and type of land uses that can be accommodated. Increasing the capacity of the system or changing its physical configuration can alter the locations, amount, and type of land uses that can be served. Changes in land use distribution influences the demands put on the circulation systems.

The elements in this component include: Air Quality, Transportation, Housing, Infrastructure Systems (such as water, sewer, and waste management systems), Conservation, Open Space, and unique plans with citywide impacts (such as the LAX Master Plan and the Port of Los Angeles Master Plan).

Secondary Citywide Elements

The Secondary Citywide Elements, which comprise the third component of the plan, are those which respond to but do not

dictate the type, location, and intensity of the land uses. The term secondary is not intended to describe the relative importance of these elements, but rather to describe the kind of inter-action they have with other parts of the system.

For example, the amount and location of residential development dictate the need for schools to serve that development. Those schools are planned to serve the projected population based on criteria established in the Public Facilities Element of the plan. However, the absence of school capacity in a particular area of the City will not by itself preclude residential development in that area. Similarly, the Cultural and Urban Design Element may establish the quality and design characteristics of commercial development, but will not determine where commercial development should occur or how much is appropriate.

The Secondary Elements include: Noise, Public Facilities, Cultural and Urban Design, and Safety.

Community and Neighborhood Plans

For the purpose of developing, maintaining and implementing the General Plan, the City of Los Angeles has been divided into 35 community planning areas. Plans for these 35 communities collectively comprise the Land Use Element of the General Plan. The Land Use Element is intended to guide the location and intensity of the private and public use of land and to promote an arrangement of land uses, streets, and services which will encourage and contribute to the economic, social and physical health, safety, welfare and convenience of the people who live and work in the Community. *Goals, objectives and

programs" are created to meet the existing and future needs and desires of the community to create a healthful and pleasant environment. These goals, objectives and programs are specific, action-oriented ideals which the City will promote during the life of the plan.

The Neighborhood Planning component involves the preparation of specific plans which blend both policy and implementation functions for unique neighborhoods within a Community Plan area.

Neighborhood/Specific Plans include not only regulatory restrictions, but development incentives as well.

INTERNAL CONSISTENCY

The internal consistency requirement (Government Code Section 65300.5) has several implications of importance to the structure and content of the general plan. First, it implies that all elements of the general plan have equal legal status. For instance, the Land Use Element and the Open Space Element cannot contain different land use intensity standards rationalized by statements such as "if in any instance there is a conflict between the land use element and open space element, the land use element controls" (*Sierra Club v. Board of Supervisors of Kern County* (1981) 126 Cal. App. 3d 698). Any conflicts between elements must be resolved within the general plan itself. Similarly, all goals, objectives, policies, principles, standards, and plan proposals in the general plan must be consistent; the implementation programs set out in the plan must be true to and follow logically from the plan goals and policies.

Information, such as projections and assumptions, used between elements within the general plan must be consistent and uniform since neither is subordinate to the other. Population projections in the Land Use Element, for example, must be consistent with population projections in the Housing Element. When a new element is adopted or a part of the plan amended, the rest of the plan must be changed to eliminate any inconsistencies created by the new element or amendment.

RELATIONSHIP TO OTHER DOCUMENTS

The primary framework for addressing the City's housing need is the Southern California Association of Government's (SCAG) Regional Housing Needs Assessment (RHNA). State law requires SCAG to determine the future housing need for all jurisdictions for each 5 year review period. The housing need figures take into account future growth trends of population and employment as well as the income levels of the projected population growth.

The Housing Preservation and Production Department also prepares a Comprehensive Housing Affordability Strategy (CHAS). Jurisdictions seeking federal housing and community development funds are required to submit the five year planning document, which assesses housing needs, barriers to housing production, strategies to achieve housing opportunities and how federal, state and local monies will be spent to create and preserve affordable housing.

COUNCIL ADOPTION PROCEDURES

Preparation

The general plan shall be prepared so that the City Planning Commission may approve it and the Council may adopt it as follows: as a whole; by complete subject elements; by substantial geographical areas; or by portions of subject elements, provided that any such area or portion has significant social, economic, or physical identity.

Commission Approval

Upon approval of the General Plan or any amendments thereto by the City Planning Commission, the approved changes shall be presented to the Mayor and the City Council by the Director of Planning, together with the Commission's report and recommendations.

Council Adoption

The general plan or any amendment shall be adopted by majority vote of the entire Council. A two-thirds vote shall be required if contrary to the recommendations of either the City Planning Commission or of the Mayor, and a three-fourths vote shall be required if action of the Council is contrary to the recommendations of both the City Planning Commission and the Mayor.

City Planning Guiding Principles

The City Planning Guiding Principles will act as broad guidelines to decision makers until such time as the revision of the

General Plan is completed. See Appendix A for a list of the guidelines.

CITIZEN PARTICIPATION

State law specifies that in preparing a general plan, the planning agency shall consult and advise with "...civic, educational, professional and other organizations, and citizens generally to the end that maximum coordination of plans may be secured and properly located sites for all public purposes may be indicated on the general plan" (Government Code Section 65304). Other sections of the Government Code require that, prior to adopting a general plan, element or amendment, the planning commission and legislative body hold at least one public hearing (Government Code Sections 65351 and 65355).

In preparing the Housing Element, Government Code Section 65583 requires local governments to "make a diligent effort to achieve public participation of all economic segments of the community".

These are minimum requirements. It is the policy of the City Planning Department to seek involvement and active participation of other City departments and public agencies, the Office of the Mayor and all elected officials, as well as the outside public in development of a Housing Element which addresses the housing needs of the entire city.

To this end, staff has met with the Office of the Mayor, representatives of all Council offices, the Office of the Chief Legislative Analyst, the Community Development Department, Community Redevelopment Agency, City Housing Authority and the Housing Preservation and Production

Department, along with a number of outside private organizations to discuss the organization and content of the housing element.

In late 1989, the City Planning Commission conducted a housing workshop with participants from the City Housing Authority, Housing Partnership, the Office of the Chief Legislative Analyst; Community Development Department and various divisions of the Planning Department. The commission workshop focused on the report of the Mayor's Blue Ribbon Committee for Affordable Housing, the status of various affordable housing initiatives before the City Council, housing livability, urban design guidelines and the housing element update.

On January 17, 1990, staff organized an interview/discussion session to stimulate creative thinking about issues to be addressed in the revised Housing Element. The session, moderated by the Planning Department, included the Planning Commission President, personnel from the Community Development Department; the Los Angeles Partnership, Department of Building and Safety personnel, Director of Housing for the Community Redevelopment Agency; Planning Department key personnel and the Office of the Mayor.

In January, 1991, the Mayor appointed a Technical Advisory Committee (TAC) comprised of representatives from various City Departments, non-profit housing organizations and building industry representatives who, along with those individuals involved in the early brainstorming sessions, identified and provided insight into critical housing issues facing the City.

In a further effort to involve the general public in Element preparation, the Planning Department conducted a series of evening and daytime workshops at various locations throughout the City. In August, 1991, the Department co-sponsored, along with the Housing Preservation and Production Department, a day-long citizen forum on housing to refine previously identified issues and strategies.

REGIONAL CONTEXT

With increasing urbanization and the growing interdependence of local governments the concept of community, particularly in metropolitan areas, has expanded in recent years to include a regional perspective. The federal government has recognized that effective management of urban facilities and natural resources must transcend political boundaries by funding councils of governments and creating such regional programs as the 208 Water Quality Planning Program and the A-95 review process (revised in 1982 by Executive Order 12372). The State has similarly institutionalized the regional perspective by creating regional transportation planning agencies and water quality control boards and by designating regional air quality planning agencies.

Regional plans prepared by councils of governments and other designated regional agencies provide the legal basis for allocating state and federal funds, as in the case of transportation and water quality facilities. Other regional plans, such as air quality plans, spell out measures which local governments must institute in order for the region to meet state and federal standards. Still others, such as regional housing needs

assessments, provide a measure of each local government's responsibility for satisfying a reasonable share of the region's needs.

When preparing or revising a general plan, cities and counties should carefully analyze the implications of regional plans for their planning area. Further, if regional needs are to be satisfied, federal and state standards met, and coordination achieved in the location of public facilities, local general plans should be consistent with adopted regional plans. Accordingly, general plans should include an analysis of the extent to which the general plan's policies, standards, and proposals conform to regional plans. Naturally, there will have to be some balancing of local and regional needs in the selection of policies. But, where the local general plan deviates from regional plans, the local government should carefully document the basis of this difference in policy.

CHAPTER II - BACKGROUND

STATUTORY REQUIREMENTS

Under Article 10.6 of the Government Code (Section 65580), it is mandatory for each city and county general plan to include a housing element as part of the general plan consisting of, "Standards and plans for the improvement of housing and for provision of adequate sites for housing" and that " this element of the plan shall make adequate provision for the housing needs of all economic segments of the community".

In addition to fulfilling state general plan requirements, the completion of this Housing Element may also enable the City of Los Angeles to qualify for existing and future state housing assistance funds. California Housing Finance Agency funding is dependent on adoption of the state-mandated housing element. The City's revised Housing Element, which adheres to the state guidelines, also will allow new subdivisions to continue to be approved subject to consistency with the general plan as required in the California Subdivision Map Act.

BACKGROUND OF THE HOUSING ELEMENT

Work on a Housing Element of the City's general plan was first begun in 1969. A Housing Background Report was prepared in 1971, and several editions of a preliminary Housing Element were released in 1973 and 1974.

These early housing studies were broadened and strengthened to conform with the state guidelines, which were adopted by the Council on Intergovernmental Relations in September, 1973. The resulting City Housing Plan Element was adopted in 1976, followed by revisions in 1979, 1984 and 1986.

A Housing Element Background Report was prepared in 1989 for the revision of the 1986 Housing Element. The new Element is presented in a format that utilizes extensive and various data sources.

The Housing Element contains updated goals and policies. The State of California requires the regional Council of Governments to set a housing goal (Regional Housing Needs Assessment) for all its jurisdictions. The objectives in this plan were developed in response to meeting the state housing goal. For this element a review of those objectives was conducted to assess their effectiveness in guiding the development of the City toward that goal.

Additionally, this revised Housing Element:

1. Provides a Citywide profile of demographic, economic and housing conditions;
2. Analyzes current and future housing issues and obstacles; and

3. Provides systematic programs, and implementation techniques based on identified conditions.

PLANNING AREA

The Housing Element covers the entire City of Los Angeles which encompasses an area of about 465 square miles, of which approximately 150 square miles are hills and mountains and 22 square miles are park lands. The City is bordered by the San Gabriel Mountains on the north, developed communities on the east, the Santa Monica Mountains on the northwest (which extend into the City), and Santa Monica Bay and the Pacific Ocean on the south and west. The City is organized by various geographic distinctions: community plan area, Master Environmental Impact Report area (MEIR), and region. The map shown on Figure 1 illustrates this breakdown.

INTERGOVERNMENTAL COORDINATION

State law requires local governments to work not only with citizens, but also with other governmental agencies and public utility companies in preparing and implementing their general plans (Government Code Sections 65304 and 65400(d)).

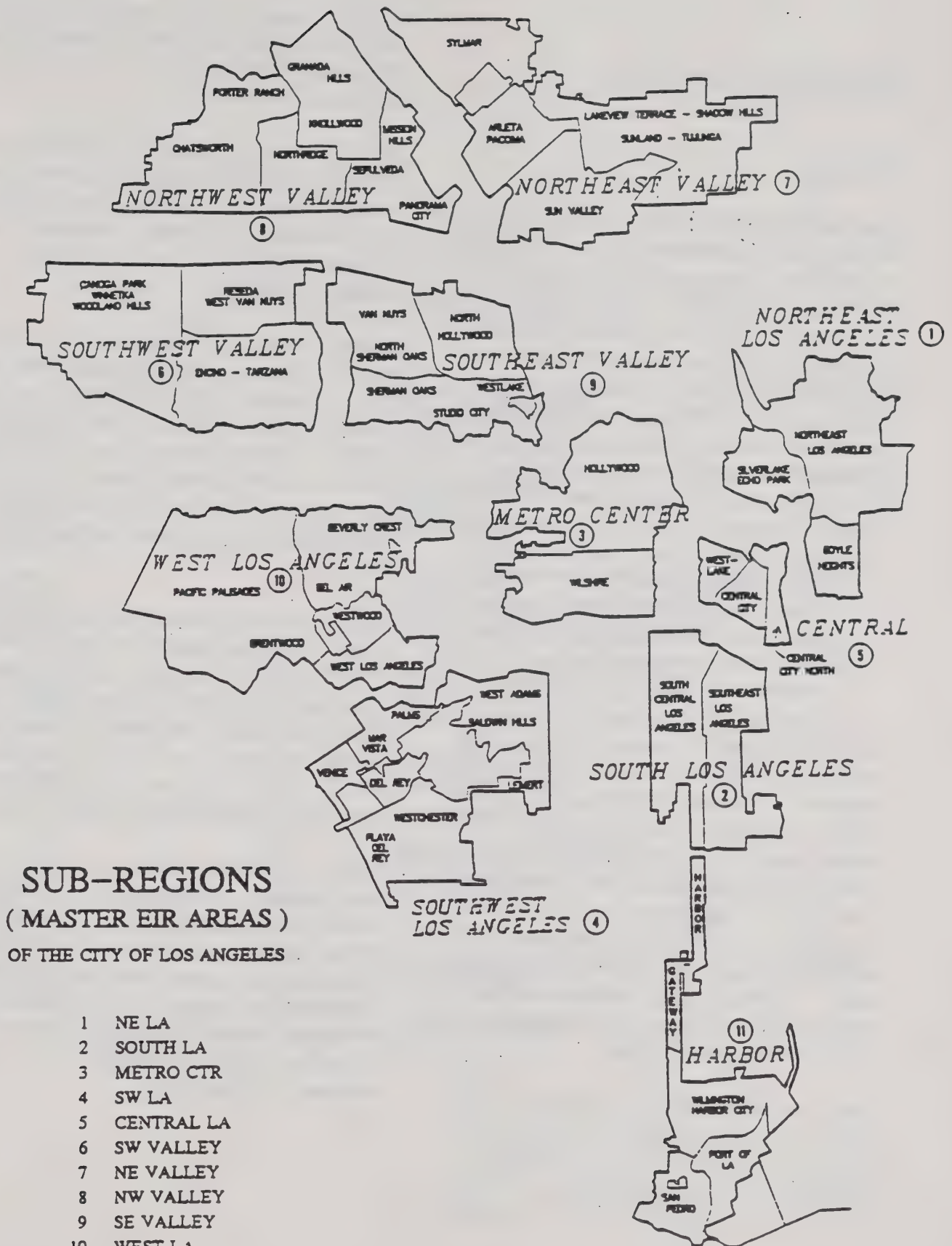
Intergovernmental coordination involves more than a formal exchange of information and plans. In the planning process, legitimate conflicts arise between agencies with different responsibilities, constituencies, and viewpoints. To resolve

these conflicts, cities and counties should vigorously pursue a full understanding of the other agencies' positions and be prepared to negotiate on the issues at conflict.

Because so many planning issues transcend political boundaries, state law requires cooperation among neighboring cities and counties. Jurisdictions must send copies of their proposed General Plans to their neighbors: A city to adjoining cities and counties and to the county in which it is located; a county to adjoining cities and counties and to cities within the county (Government Code Sections 65305 and 65306). The same must be done upon adoption of a general plan or other general plan document (Government Code Section 65360).

Further, when a city or county proposes a public works project (including acquisition and disposal of land) within another city's or county's jurisdiction, it must submit the proposed project to the appropriate planning agency for review of its conformity to the adopted general plan (Government Code Section 65402(b)).

FIGURE 1



HISTORIC CONTEXT

Population

Los Angeles has the demographic distinction of being the most populous city in California and second in the nation. According to the Southern California Association of Governments (SCAG), natural increase (birth/deaths) will be the predominant cause of population growth in the Los Angeles region between 1980 and 2010 (63%)¹. Predictions on net in-migration, the other component of population change, indicate a very mobile population between 1980 and 2010. Because natural increase is the predominant cause of population growth, it is inevitable that population will increase well into the next century. Annual population growth from 1980-1990 is shown in Figure 2.

Los Angeles has stopped growing in geographical size. Whereas population has grown, the area of the City has barely increased. Between 1980 and 1989, the City's geographic area increased by 1.6 square miles. To accommodate population growth in the past, development boomed in previous un- or underdeveloped areas. Now the City is stretched to its geographic boundaries and vacant land is scarce and costly. It is apparent that to adequately house the growing number of residents, the City's density must increase.

Based on the 1990 census, between 1980 and 1990, the population increased by 518,548 persons, from 2,966,850 to 3,485,398. This was an increase of 17.5% or an annual growth of 1.7%. The fastest

growing areas were Central City North (43.7%), Sylmar (41.9%), Mission Hills-Panorama City-Sepulveda (38.4%), and Arleta-Pacoima (33.1%).

As of 1990, the greatest number of people resided in the following community plan areas: Wilshire (271,620), South Central Los Angeles (257,469), Southeast Los Angeles (238,991) and Northeast Los Angeles (237,293).

Three planning areas declined in population or did not gain population between 1980 and 1990: Central City (-18.6%), Bel Air-Beverly Crest (-2.3%), and Encino-Tarzana (0%). Planning areas with the fewest persons in 1990 were: Central City North (19,318), Bel Air-Beverly Crest (19,537), Central City (22,374), and Harbor Gateway (36,011).

Ethnic diversity increased between 1980 and 1990. Hispanics increased from 27.5% to 40.2% of the population. Asians increased from 6.6% to 9.2%. Whites, Blacks, and Native Americans decreased in population. Whites declined from 48.3% to 37.3%, Blacks from 17% to 13% and Native Americans from 0.6% to 0.3%.

Whites are heavily concentrated in the West San Fernando Valley and the Westside. Blacks are concentrated in West Adams, South Central, and Southeast Los Angeles. Hispanics are concentrated in Central and Northeast Los Angeles, Arleta-Pacoima, and Wilmington-Harbor City. Figures 3 through 7 indicate migration trends in the City between 1980 and 1990.

FIGURE 2

ANNUAL POPULATION GROWTH 1980-1990 BY COMMUNITY PLANNING AREA

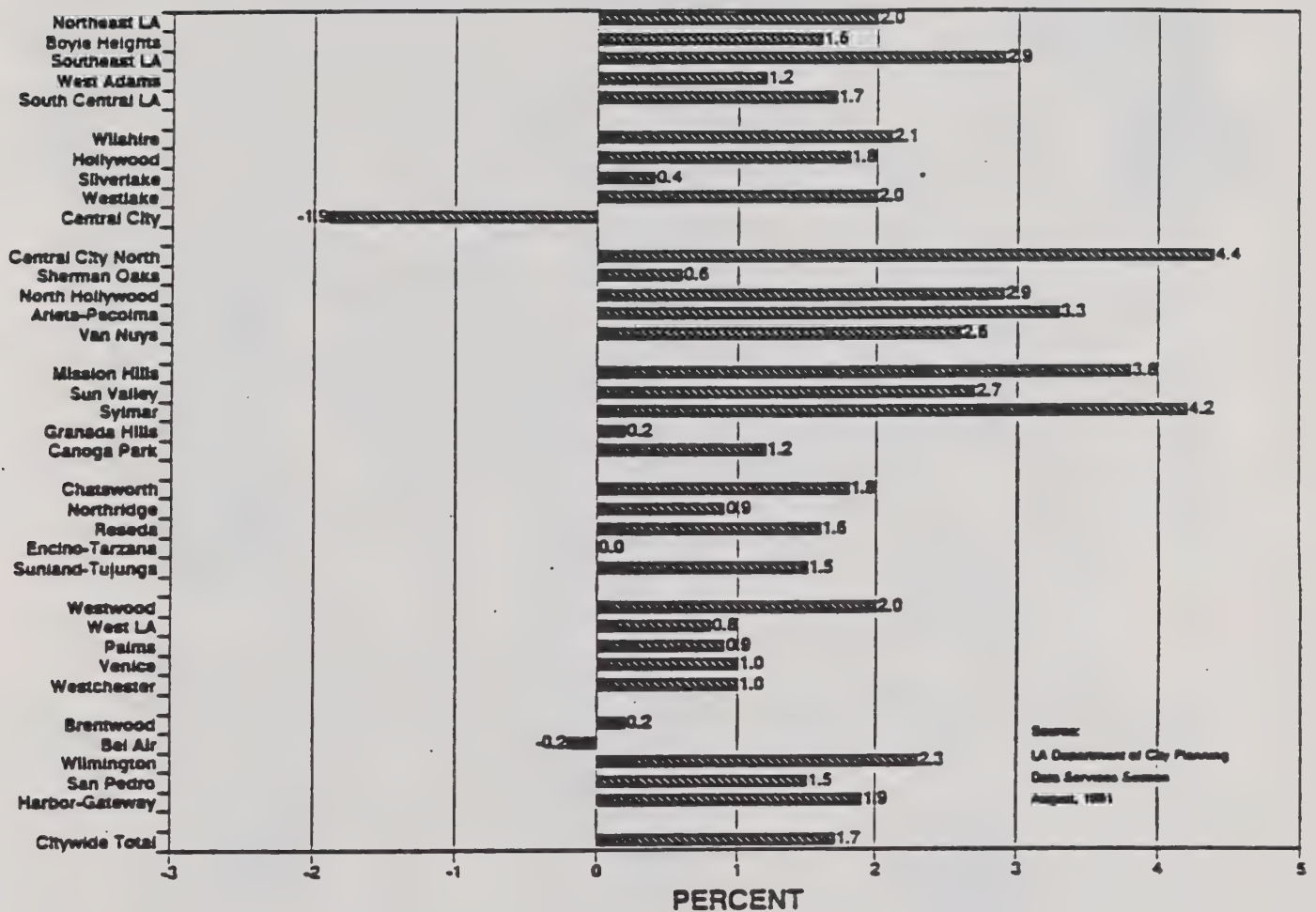
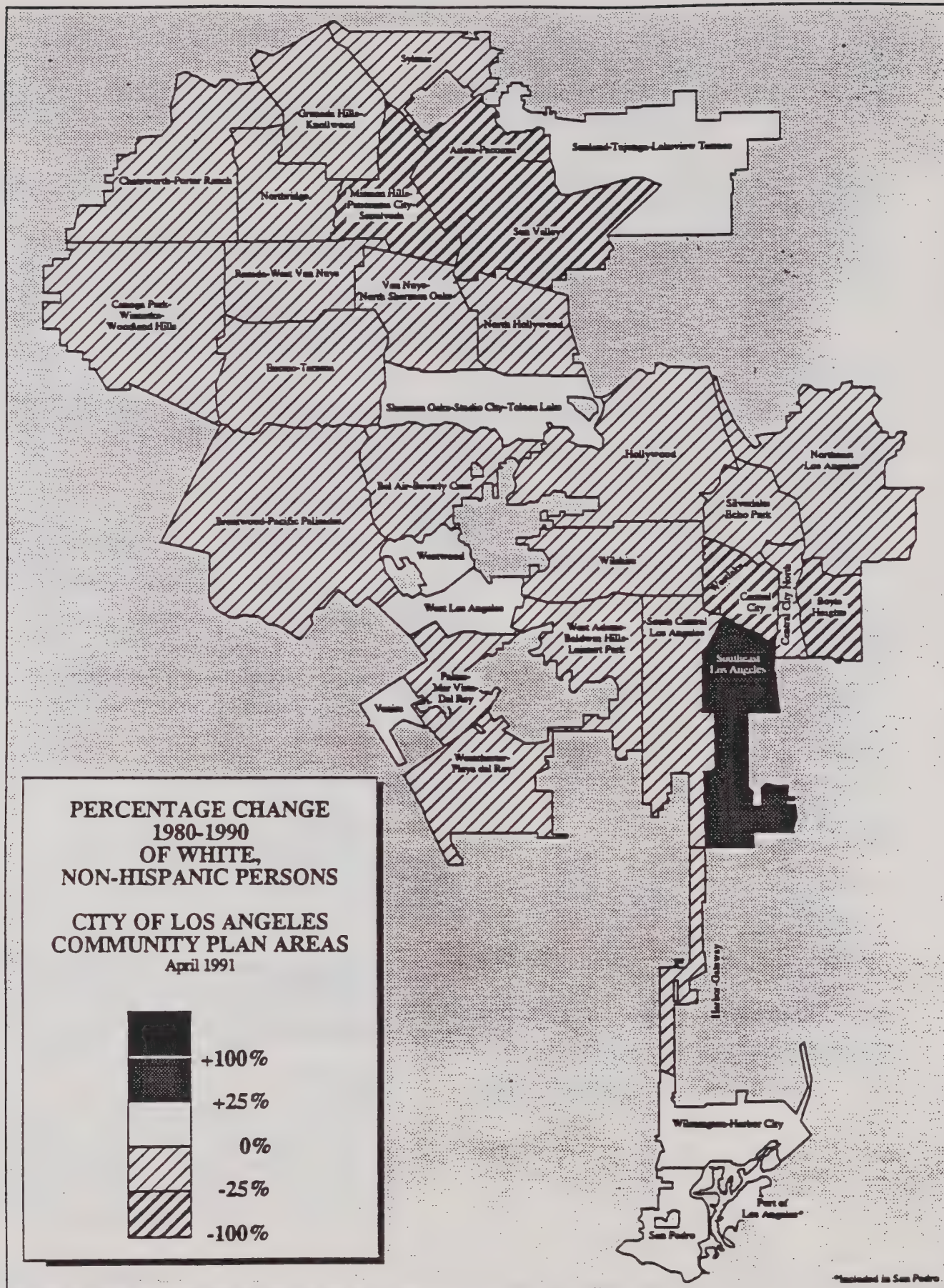
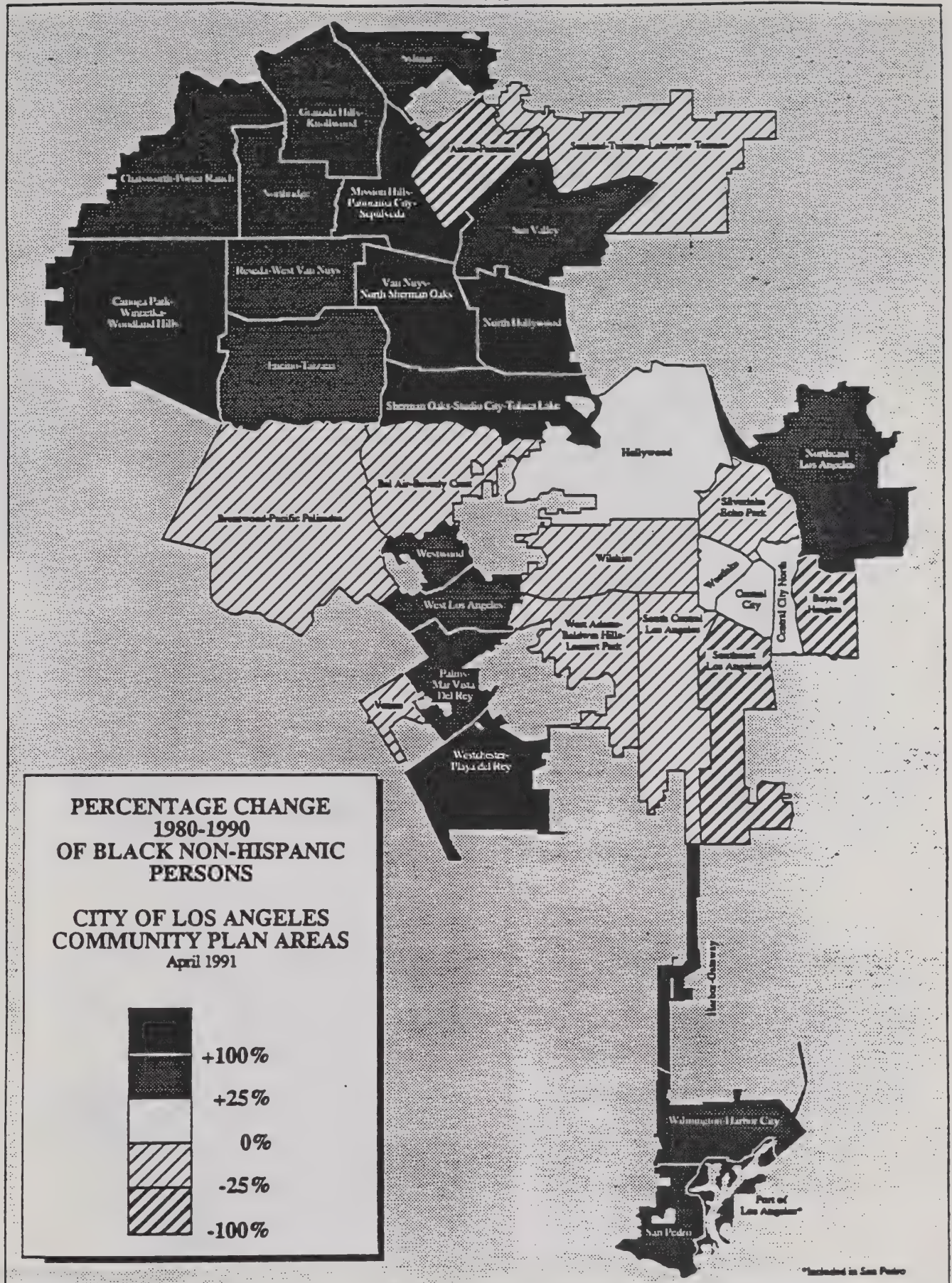


FIGURE 3



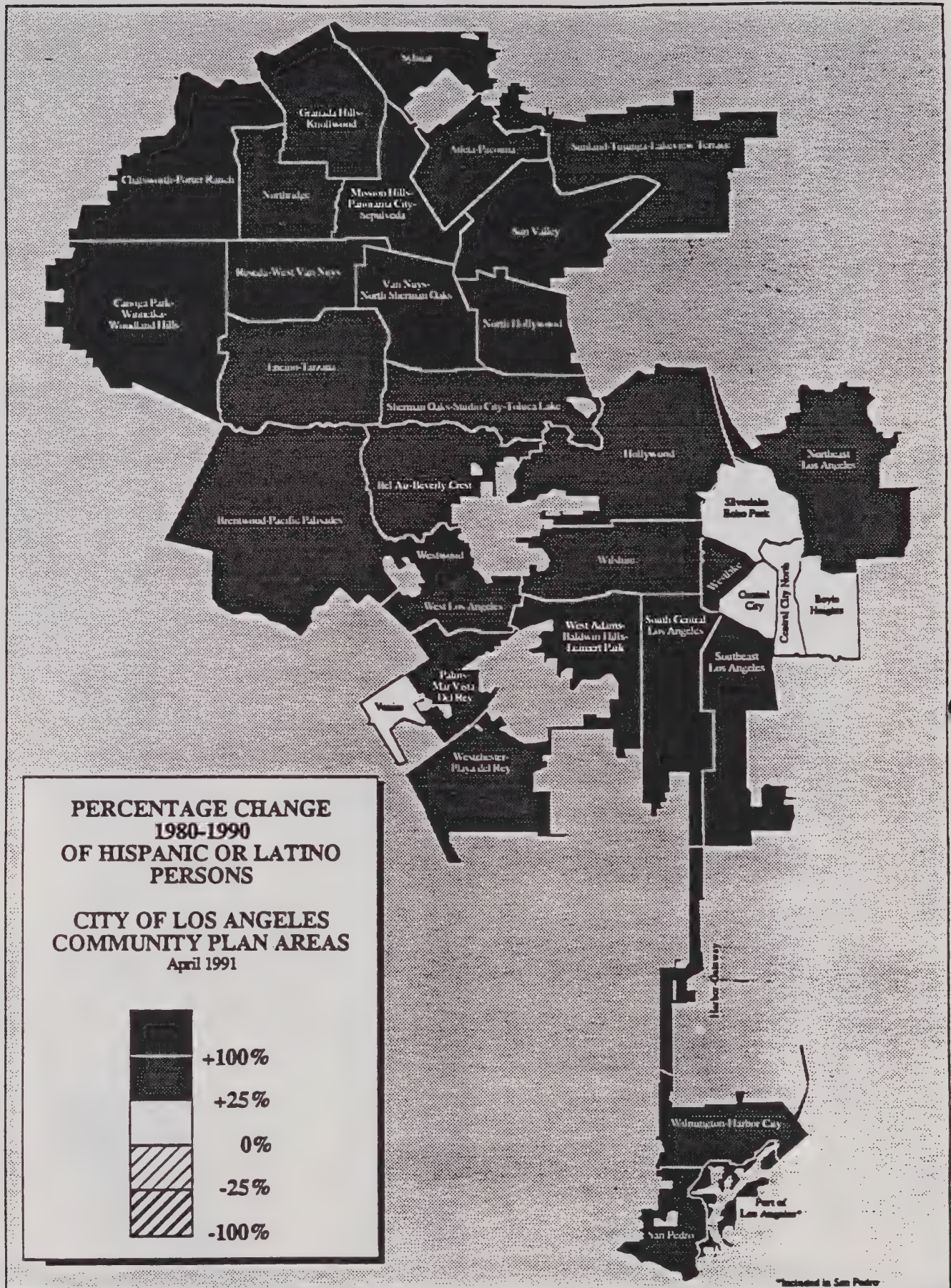
DATA ILLUSTRATION PREPARED BY C. NICOLL - APRIL 1991
 BASED ON MAP PREPARED BY THE GRAPHICS SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - NOVEMBER 1987
 BASED ON 1990 CENSUS DATA PREPARED BY THE RESEARCH SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - APRIL 1991

FIGURE 4



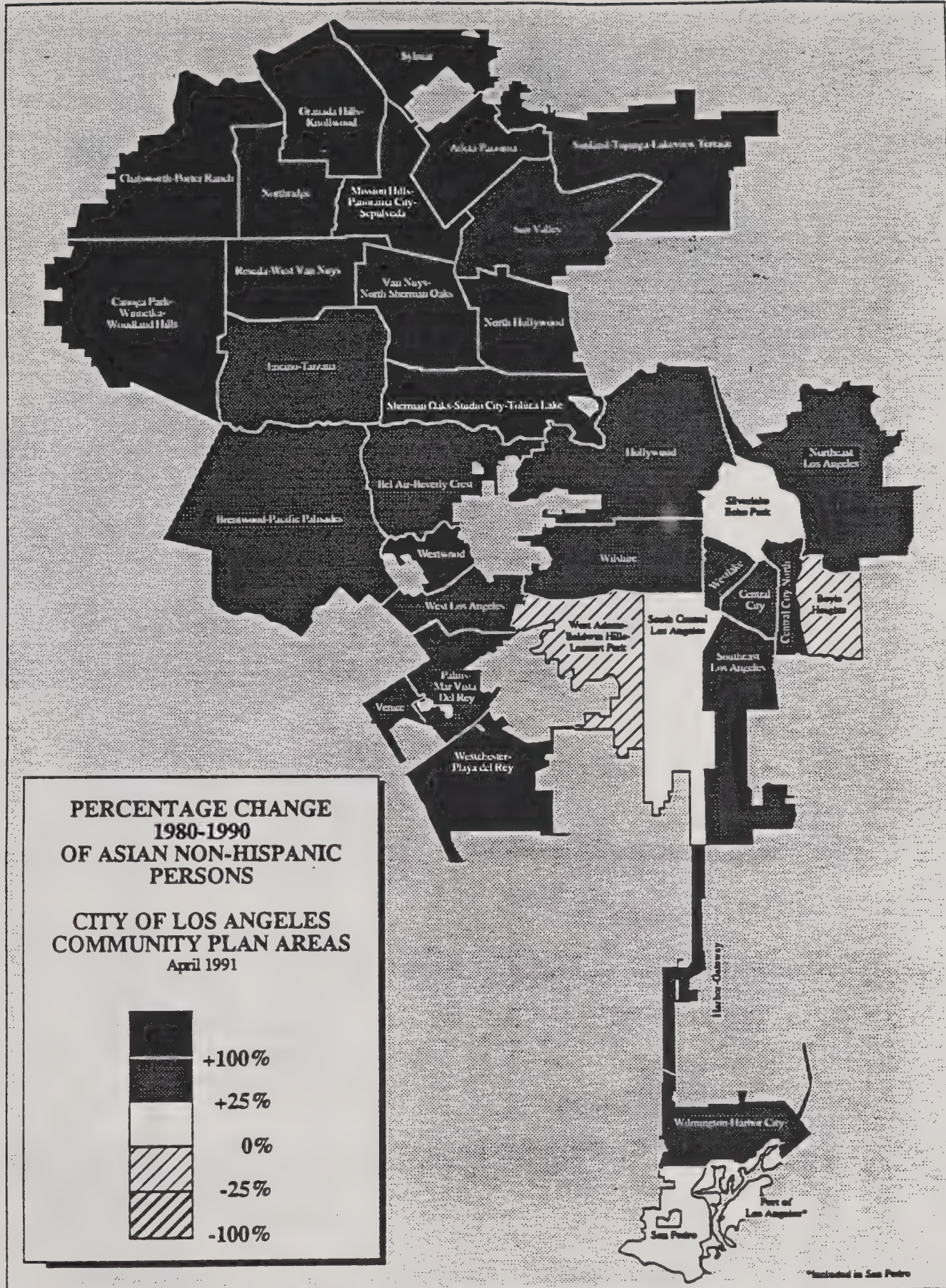
DATA ILLUSTRATION PREPARED BY C. NICOLL - APRIL 1991
 BASED ON MAP PREPARED BY THE GRAPHICS SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - NOVEMBER 1987
 BASED ON 1990 CENSUS DATA PREPARED BY THE RESEARCH SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - APRIL 1991

FIGURE 5



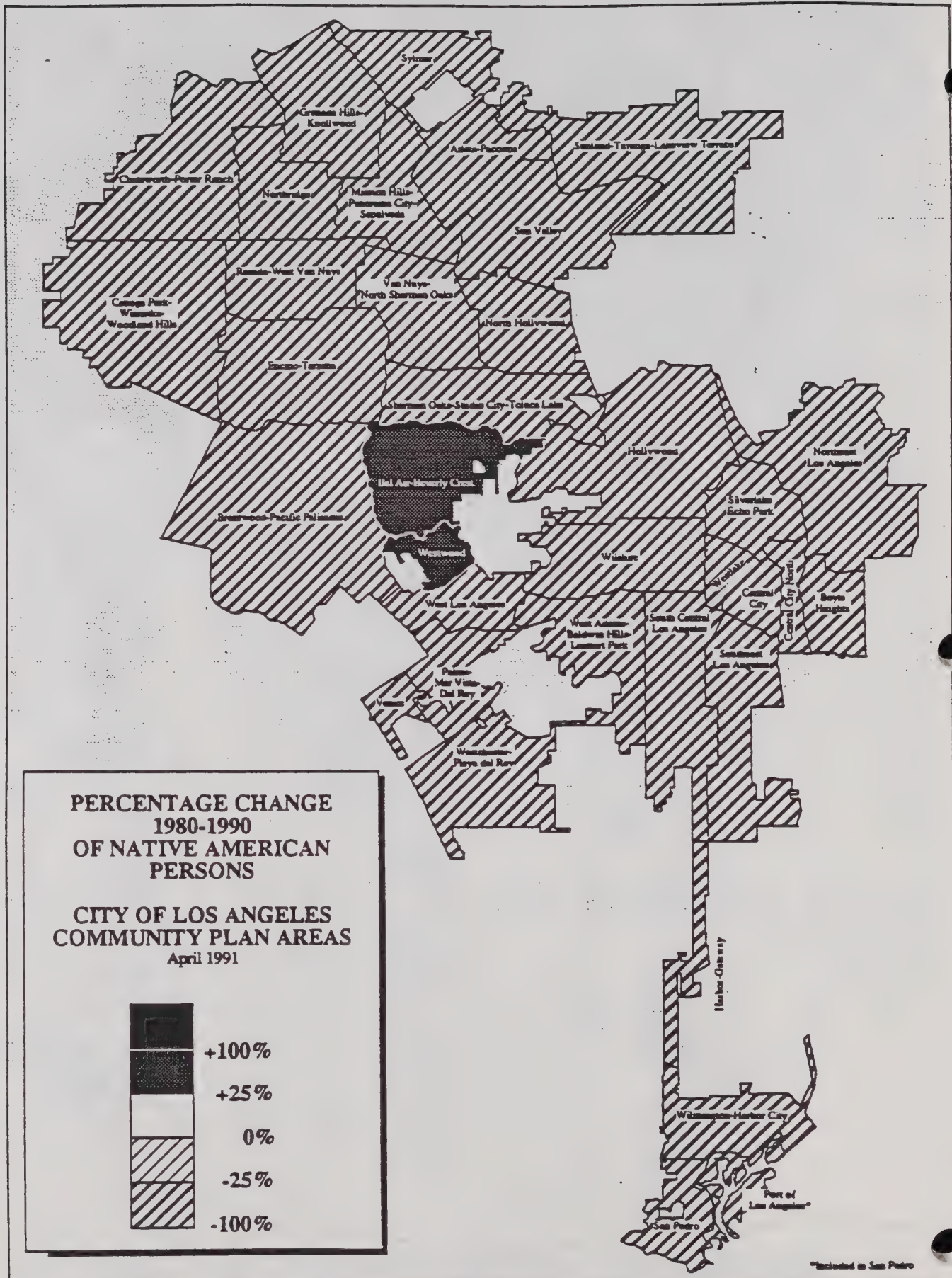
DATA ILLUSTRATION PREPARED BY C. NICOLL - APRIL 1991
 BASED ON MAP PREPARED BY THE GRAPHICS SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - NOVEMBER 1987
 BASED ON 1990 CENSUS DATA PREPARED BY THE RESEARCH SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - APRIL 1991

FIGURE 6



DATA ILLUSTRATION PREPARED BY C. NICOLL - APRIL 1991
 BASED ON MAP PREPARED BY THE GRAPHICS SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - NOVEMBER 1987
 BASED ON 1990 CENSUS DATA PREPARED BY THE RESEARCH SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - APRIL 1991

FIGURE 7



DATA ILLUSTRATION PREPARED BY C. NICOLL - APRIL 1991
 BASED ON MAP PREPARED BY THE GRAPHICS SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - NOVEMBER 1987
 BASED ON 1990 CENSUS DATA PREPARED BY THE RESEARCH SECTION - LOS ANGELES CITY PLANNING DEPARTMENT - APRIL 1991

The elderly population (60 years or older) increased by 7.5% between 1980 and 1990. Although the number of elderly increased over the ten year period, the percentage of elderly in the population decreased from 14.8% to 13.5%. The areas with the largest number of elderly in 1990 were: Wilshire (41,041), Hollywood (31,720), South Central Los Angeles (29,432), and Northeast Los Angeles (28,770).

Although Los Angeles' population increased by 17.5% between 1980 and 1990, the number of households increased by just 7%. This indicates a trend toward larger households. The average household size increased from 2.61 persons in 1980 to 2.86 persons in 1990 - the highest it has been since 1940. Household sizes ranged from a high of 4.71 in Central City North to a low of 1.92 in Sherman Oaks-Studio City-Toluca Lake. Those communities with the largest household size were found in Central and South Los Angeles, whereas the communities with the smallest households were typically found in the Westside. Figures 8 and 9 indicate change in number of households between 1980 and 1990, and household size based on the 1990 Census.

Employment

Employment in the City between 1980 and 1987 increased by 24%². Employment in goods-producing industries, such as agriculture and manufacturing, declined by 57% and 8% respectively. Two other goods-producing industries, construction and mining, increased in employees by 33% and 20% respectively.

Continuing a trend since 1970, employment in service-producing activities, such as retail, service, and government, increased.

Employment in government experienced a significant increase of 163%. Employment in finance declined by 10%.

FIGURE 8

CHANGE IN NUMBER OF HOUSEHOLDS 1980-90
BY COMMUNITY PLANNING AREA

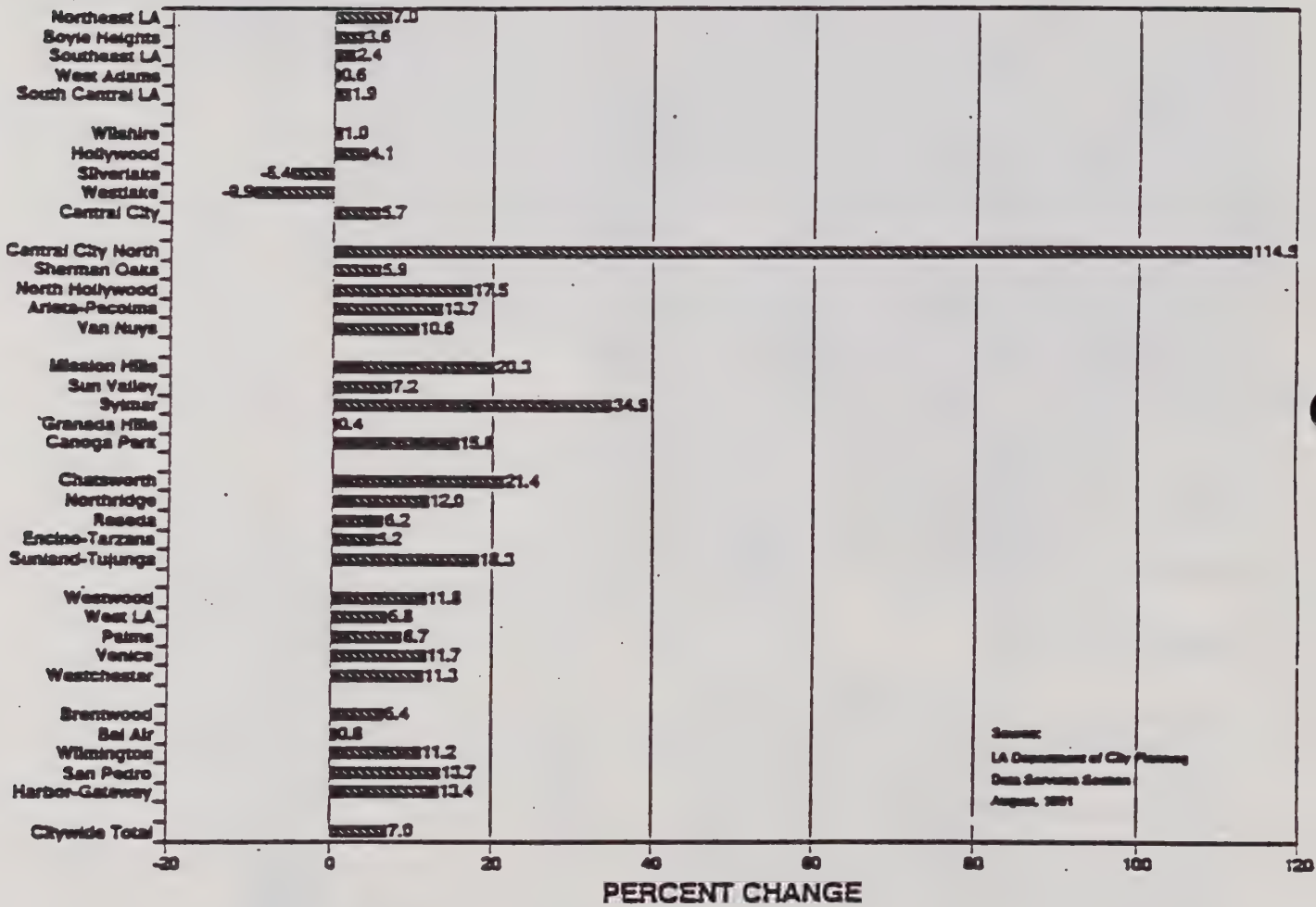
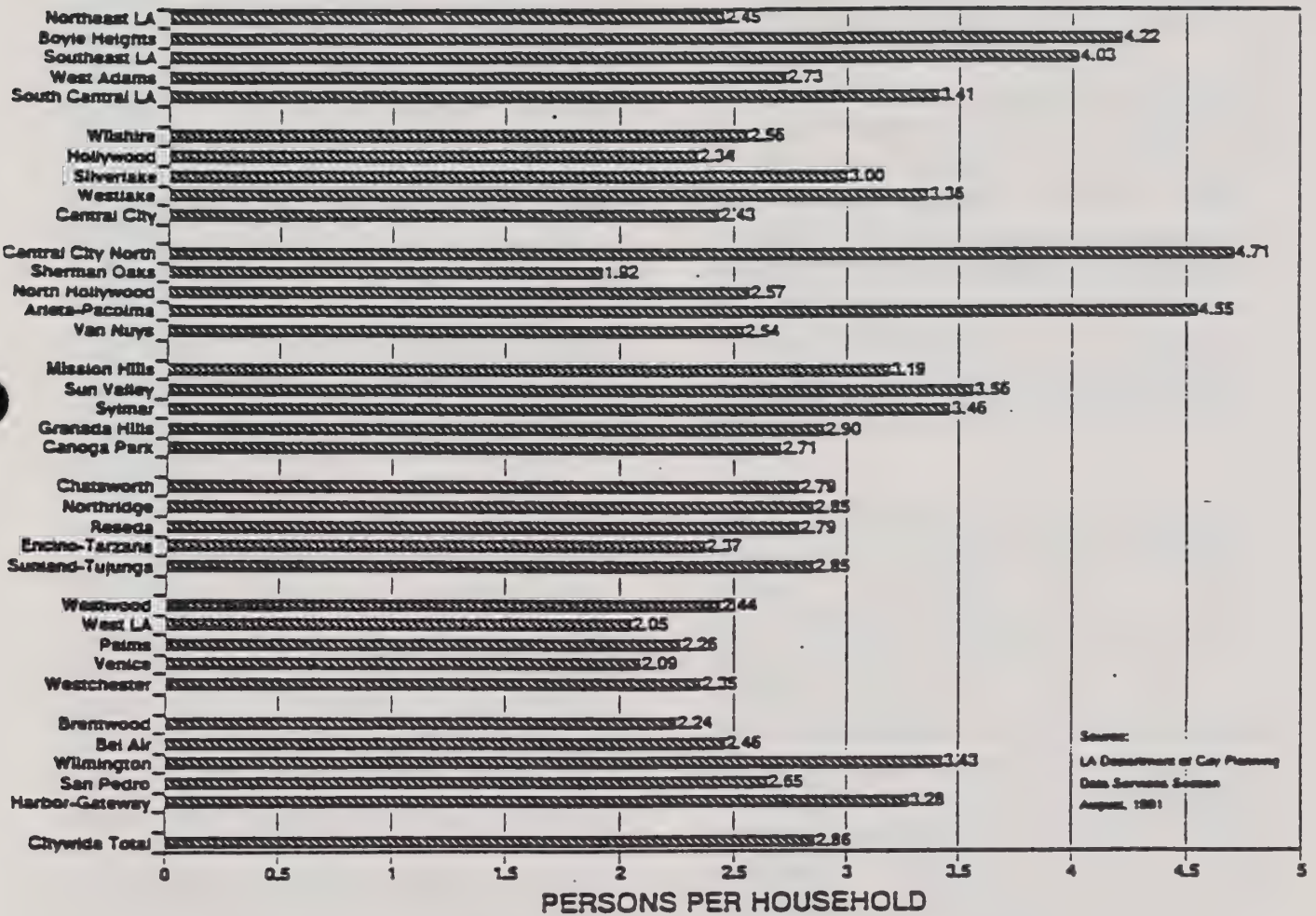


FIGURE 9

HOUSEHOLD SIZE - 1990
BY COMMUNITY PLANNING AREA



CHAPTER III - HOUSING NEEDS ASSESSMENT

MAJOR HOUSING ISSUES

Introduction

There has been a great deal of debate over the issue of housing for the City of Los Angeles since the preparation of the prior Housing Element revision in 1986. In April, 1988, the Mayor's Blue Ribbon Committee for Affordable Housing was convened to advise the City on housing programs and policies. It was the Committee's mission to assess the seriousness of the City's problems and to establish a framework for addressing these problems.

In addition to the work of the Blue Ribbon Committee, Planning Department staff, in the early phases of Housing Element development, conducted a series of brainstorming sessions and a number of housing workshops at various locations throughout the City in an effort to identify other housing issues and to discuss possible strategies. Finally, the Department co-sponsored, along with the City's Housing Preservation and Production Department, a day-long citizen forum on housing to maximize public participation and input into the formulation of the Housing Element and the City's Comprehensive Housing Affordability Strategy (CHAS).

Through these efforts and a collection of other housing reports and studies, staff identified a number of overriding issues that the City needed to address in order to manage its housing problems.

Affordability

This is one of the overriding issues contributing to the housing crisis in the City. The causes relate to the rapidly rising prices of land and construction, speculation, increased interest rates, and a housing production rate which is lagging far behind the City's rapidly increasing population.

As discussed in the sections dealing with non-governmental constraints, the high price of land, construction and the costs of financing have factored into the skyrocketing prices of housing in recent years. In addition, the great demand for housing is further impacted by the shortage of affordable developable land. Because of these factors, only one in five households is able to afford the median priced home in the City.

The City's housing activities were sufficient in the 1960's and 1970's - a period when the federal government took primary responsibility for housing the poor and low wage workers. The federal government created a variety of housing programs to assist low income renters and moderate income, first-time home buyers. Beginning in 1980, the once strong federal role in housing underwent a drastic 75% reduction³. Programs assisting in the production and rehabilitation of low income rental housing were hardest hit. Cutbacks to these programs has diminished the City's capacity to deal effectively with its housing problem.

Based upon projections provided by the Southern California Association of Governments (SCAG), it is also evident that incomes have not kept pace with the price of housing. Problems of affordability occur when a household (particularly a lower income household, a senior citizen, or a first-time home buyer) cannot afford housing within a reasonable percentage of their income. In 1988, most federal and state housing finance programs presumed that families could afford to pay between 25 to 30 percent of their income for shelter and utilities.

For the purposes of the Housing Element, "affordable housing" refers to housing affordable to persons or families of very low, low or moderate income based upon the median income for Los Angeles County. Very low is defined as not exceeding 50% of the area median income, low is defined as between 50% and 80%, and moderate, between 80% and 120% of the area median income. For a family of four in Los Angeles County in 1991, this definition ranges up to an income of \$50,400 (120% of the County median of \$42,000).

According to SCAG, more than 62 percent of the City's households pay in excess of 30 percent of their monthly income for housing. Because of the gap between income and the cost of providing shelter to house their families, low and very low income renter households are often forced to make untenable choices between paying their rent and meeting other family budget necessities within their modest income limits. In most cases, very low income households of four or more persons must pay more than 50 percent of their income for rent alone.

Potential Loss of Federally Subsidized Housing

Many federal and state subsidized housing projects are at risk of mortgage prepayment. Over the next few years many units in these developments are at risk of converting to market rate rentals as owners are presented with the option of prepaying their subsidized mortgages. With the passage of the Emergency Low-Income Housing Preservation Act (ELIHPA) and the Low-Income Housing Preservation and Homeownership Act (LIHPRA) the HUD Sec. 236 and 221(d)(3) projects have been protected from prepayment and loss of affordability. The majority of the developments are up for the prepayment option prior to 1997, although several owners with earlier prepayment dates have already applied to HUD.

Additional dwelling units in the City are at risk either because they are part of the expiring Section 8 Housing Assistance Program or because they were developed with tax exempt bond financing designed with fifteen (15) or fewer years of affordability.

In order to prevent the loss of a substantial supply of the City's affordable housing stock, the Housing Preservation and Production Department, working with other public agencies and City Departments, has developed a Prepayment Housing Preservation Strategy. The program provides information and outreach to residents at risk of displacement. It also includes a training and technical assistance component to assist tenant organizations, non-profit housing groups, owners and managers. Other key components of the strategy include:

HUD 241(f) tax exempt financing for non-profit and tenant purchases;
Monitoring and interpretation of HUD regulations relating to prepayment; and
Granting financial assistance only to those projects which guarantee lifetime affordability of buildings.

Other City programs address the problem of bond-financed and other locally assisted affordable housing projects, which are required to meet rent and mortgage restrictions for a limited period of time and then can revert to market rate. City efforts in this regard involve refinance and re-fund units for owners willing to maintain long-term affordability standards. During the term of this Housing Element, the City will work to expand refinancing and refunding programs. The City has developed an inventory of all City-assisted units and their affordability expiration dates in order to evaluate and coordinate technical assistance and to provide sufficient notice to tenants.

ANALYSIS OF AT RISK HOUSING

Housing Element Requirements

Chapter 1451, Statutes of 1989, and Chapter 889, Statutes of 1991, amended Section 65583 of the California Government Code to require local governments to revise their Housing Elements by July 1, 1992. Under this law, jurisdictions must 1) evaluate the potential for currently rent restricted low-income housing units to convert to non-low-income housing and 2) propose programs to preserve or replace those units. The State legislation was passed in 1989 in response to the potential loss of numerous affordable

rental units which have received assistance from federal, State, and/or local programs.

The State law requires each city and county to provide analysis of and programs for preserving assisted rental housing developments during a ten-year period. For the City of Los Angeles, the current preservation analysis period is July 1, 1989 to June 30, 1999. Furthermore, the preservation analysis and programs must be updated every 5 years, at the same time that the locality's housing element is updated. The City's ten-year analysis period is divided into two 5-year periods (July 1, 1989 to June 30, 1994, and July 1, 1994 to June 30, 1999) that coincide with the planning periods of the housing element.

Consistent with State requirements, the City of Los Angeles Housing Element includes the following:

1. An inventory of restricted low income housing projects in the City and their potential for conversion;
2. An analysis of the costs of preserving and/or replacing the units "at risk";
3. Quantified objectives for the number of "at risk" units to be preserved;
4. An analysis of the organizational and financial resources available for preserving and/or replacing the units "at risk";
5. Local programs for preserving the "at risk" units.

OVERVIEW

Beginning in the 1960's, the federal government provided various incentives to private developers through low-income loans and rent subsidies administered by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FmHA). Owners who secured these subsidies entered into contracts with HUD. As long as the projects were funded under the federal programs, the owner agreed to build or operate multi-family rental housing developments that reserved the units for lower income households.

As part of these varied incentives many of the federal programs allowed owners the option of terminating their participation prior to loan maturity or rental contract expirations. When an owner elects to exercise this option, the subsidy provided to the project and the accompanying use restrictions are terminated. Should this happen, rent-restricted units may be converted to market-rate units and lower-income tenants may become displaced without any assurance of securing permanently affordable housing elsewhere. Moreover, as these units are converted to market-rate units, the inventory of affordable housing stock declines.

Nationwide, the potential impact of this loss is enormous. The U.S. General Accounting Office issued a report on the issue in June 1986, which predicted that 1.8 million units, or approximately 90% of all federally-subsidized rental housing in the country, could be lost by the end of the century. With the passage of recent federal legislation designed to mitigate the potential loss of some at-risk units, an estimated 365,000

units, funded under the Section 221(D)(3) and Section 236 programs, are protected pursuant to the Emergency Low-Income Housing Preservation Act (ELIHPA) and the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) (see the Federal Programs section).

Statewide, the impact is large. In 1985, the California Department of Housing and Community Development (HCD) assembled an inventory of low income rental housing units that are eligible to convert to non-low income housing uses over the next 20 years. A subsequent report published by the Senate Office of Research in 1987 concluded that as many as 117,000 assisted rental units could convert by the year 2008; over two-thirds of these units, or 68%, have restrictions that could terminate as early as 1995.

The potential for loss of affordable units is compounded further with the inclusion of low-income units produced by state and local financing and subsidy programs, which are not always considered to be "at-risk" projects, or other federal subsidy programs such as the Section 8 New Construction or Community Development Block Grant-funded projects. The state and local programs for the City of Los Angeles include the Low Income Housing Tax Credit program, the State Density Bonus Law program, California Housing Finance Agency-issued bonds, City of Los Angeles multi-family revenue bonds, City of Los Angeles Community Redevelopment Agency revenues, and locally-monitored programs (e.g., Specific Plans, zone amendments). Like their federal counterparts, these programs have affordable regulatory agreements or other use restrictions for terms of limited duration.

FINANCING PROGRAMS

Federal

Generally two types of federal programs that allow the termination of low-income use restrictions exist: 1) low-interest, FHA-insured loans; and 2) Section 8 rental assistance (see Attachment A for a description of each housing assistance program). Often housing developments receive assistance from both types of programs. In these cases, the earliest termination date in either program is the earliest a project may lose its use restrictions.

FHA-insured Loans

Programs included in the first category of low-interest, FHA-insured loans include the Section 221(D)(3), Section 221(D)(4), Section 236, and Section 202 programs.

Between 1961 and 1983, the Section 221(D)(3), Section 221(D)(4), and Section 236 programs provided for-profit and nonprofit owners with loans at typical interest rates of one percent or three percent and provided at least 90% of the cost of the development. The first three programs are typically financed by private lenders with HUD "writing down" the interest and providing mortgage insurance. The Section 202 program is a direct government loan. Mortgages were for terms of 40 years; however, these programs provided for loan repayment in year 20 and termination of the regulatory restrictions on both rents and occupancy. In addition to very favorable financing terms, owners were able to take tax benefits that provided them with an attractive return on their ten percent equity contribution. They also received a restricted

annual cash flow of up to six percent of original equity and received compensation in the form of management and partnership fees.

All Section 202 and some Section 236 and Section 221(D)(3) projects, held in nonprofit ownership or in receipt of other additional HUD subsidies, are locked into their affordability for the full mortgage term, generally forty years. After that date, use restrictions may be terminated.

Other HUD subsidies received in conjunction with these loans include the Rent Supplement and Flexible Subsidy programs. The Rent Supplement program provided a long-term rental assistance contract for the term of the loan; most of these contracts were converted by HUD to shorter-term Section 8 contracts in the 1970's and 1980's. Owners with the original Rent Supplement may not prepay their loans. The Flexible Subsidy program does not restrict an owner's right to prepay but requires that units stay affordable to low- and moderate-income households for the remainder of the mortgage term even after the project loan is prepaid. Contracts executed prior to December 21, 1979 were not subject to these restrictions.

The City of Los Angeles has 191 housing developments, with 14,678 units, financed by HUD Section 221(D)(3), Section 221(D)(4) with Section 8 contracts, Section 236 and Section 202 loans.

Section 8 Rental Assistance

Federal programs that fall under the Section 8 Rental Assistance Programs include New Construction, Moderate Rehabilitation, and the Substantial Rehabilitation (discontinued)

Programs, as well as existing federally-assisted projects that include Section 8, added under the Loan Management Set-Aside and Property Disposition Programs. These federal programs allow the termination of use restrictions.

In the City of Los Angeles, the Section 8 New Construction program has 33 privately-owned properties, with 3,128 units. This program allows property owners to construct new rental housing for low-income families. A Section 8 subsidy is directly attached to the unit, and eligible tenants receive assistance as long as they reside in the unit.

The Moderate Rehabilitation program includes 478 units at thirty sites, city-wide. Under this program, the owner rehabilitates substandard units to meet housing quality standards and then rents these units to low-income tenants. The rehabilitation funds are provided by the owner through lending institutions. After the rehabilitation work is completed, the Housing Authority of the City of Los Angeles executes a ten-year Section 8 contract that provides rental assistance to eligible tenants.

The Substantial Rehabilitation program provided private for-profit owners financial assistance to rehabilitate substandard units in order to meet housing quality standards. A Section 8 subsidy was directly attached to the unit.

In Project-based Section 8, the Section 8 subsidies are tied directly to the project and cannot be used by tenants if they move elsewhere; the current Section 8 Certificate and Voucher programs permit the tenant to move to a unit and apply the Section 8 subsidy to that unit. HUD provides the project owner with the difference between a

tenant's rent contribution, generally limited to 30% of household income, and the contract rent established by HUD. Many of the contracts allow owners to opt out after five-year intervals. Should this option ever be exercised, tenants residing in the project would lose their rental assistance and in all likelihood, be forced to pay the rent with a greater rent burden (i.e., greater than 30% of a tenant's income towards rent) or seek housing elsewhere, unless the overriding program provides otherwise.

State and Local

In addition to the federally-assisted units, State and local financing programs have assisted with the development of housing projects city-wide that can now be considered "at-risk" of conversion to market-rate uses. These programs include the City-issued mortgage revenue bonds, equity raised from the Low Income Housing Tax Credit program, City of Los Angeles Community Redevelopment Agency's Low and Moderate Income Housing Fund, the State Rental Housing Construction Program, and the California Housing Finance Agency-issued bond programs.

Multi-family housing developments financed by tax-exempt mortgage revenue bonds were built between 1982 and the present. Other programs were used to develop projects between 1982 and 1991. Similar to the federal programs, locally-assisted projects have use restrictions of a certain duration, usually a minimum of 10 or 15 years, that are enforced via regulatory agreements.

Additionally the City of Los Angeles monitors units permitted under the State Density Bonus Law program, and in adopted Specific Plans. These units typically have

use restrictions of 30 years, as stated in the regulatory agreement.

The City of Los Angeles has 890 housing developments with 35,169 locally- and State-assisted units.

FEDERAL INCENTIVES

Emergency Low-Income Housing Preservation Act (ELIHPA) and Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA)

Due to the recognized potential loss of low-income units, Congress initially enacted an emergency measure to address this problem. Pursuant to the Emergency Low-Income Housing Preservation Act (ELIHPA), or Title II of the Housing and Community Development Act of 1987, the Act placed constraints on an owner's right of prepayment, for projects financed through Section 221(D)(3) or Section 236, and created incentives to either encourage owners to retain the low income restrictions in exchange for receiving a greater return on their investment, or to transfer the property to purchasers who would agree to retain the low income restrictions. Owners of eligible ELIHPA projects have the opportunity to secure additional federal incentives for their projects, enabling them to raise rents and refinance a portion of their equity while extending the low-income use restrictions for 20 years. To be eligible for the incentives provided under ELIHPA, owners must have filed valid Notices of Intent with HUD prior to December 31, 1991, expressing a desire to change the project status. To begin the prepayment process, an owner must submit to HUD a Notice of Intent (NOI) form letter. Once the NOI is filed, HUD instructs the owner of their

responsibilities to provide additional information including tenant and income profiles, and plans to extend the affordability contract, known as a Plan of Action (POA).

The driving principle of ELIHPA was that housing should be preserved for its intended beneficiaries and that owners should be guaranteed a fair and reasonable return on their investment through new incentives. ELIHPA was meant to be an interim measure designed to give Congress some time to develop a permanent program for the preservation of existing low income housing. A "new" law, the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) is the permanent solution to this at-risk predicament.

Under the provisions of the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA), or Title VI of the National Affordable Housing Act of 1990, owners are offered alternative means of realizing a reasonable return on their investment. These alternative means include three basic options: 1) prepaying only when doing so does not adversely affect tenants or the local affordable housing stock; 2) continuing ownership with additional federal incentives and thus, extended low income use; or 3) selling the property with a first right-of-refusal process to tenant organizations or interested nonprofit and public entities.

The following housing development types are LIHPRHA-eligible projects:

- Projects insured or held by HUD under the Section 221(D)(3) Market Rate Interest program and assisted under a project-based Section 8 program;

- Projects insured or held by HUD under Section 221(D)(3) BMIR program; or

- Projects insured, assisted, or held by HUD or a State agency under Section 236.

In the City of Los Angeles, 153 housing developments, with 10,951 units, are eligible to file under Section 221(D)(3) and Section 236 during the ten-year analysis period. To date, 57 housing developments have filed a Notice of Intent to prepay; these 57 housing developments include 4,075 affordable units under ELIHPA and LIHPRHA. Moreover, of the 57 housing developments, 33 developments have submitted Plans of Action to continue in the program under ELIHPA for the original term of the contract. Of these 33 housing developments, eleven (11) buildings, with 706 units, have received final approval from HUD for their Plans of Action and are no longer considered to be "at risk" of conversion.

Eligibility for either ELIHPA or LIHPRHA is based on the actual pre-payment date or 20 year anniversary of the original contract date. In the City of Los Angeles, 8 housing developments are eligible for ELIHPA only. Another 57 housing developments are eligible to file under either law, however the City of Los Angeles anticipates that most owners will file under ELIHPA due to the less restrictive affordability requirement and potentially larger equity loans. Finally, eighty-eight (88) housing developments are LIHPRHA-eligible.

While LIHPRHA prevents conversion of prepayment-eligible projects, in most cases, the risk has not been eliminated. Active participation on the part of local government, tenants and non-profit

organizations is required to prevent the loss of these affordable units. Moreover LIHPRHA does not solve the problem of Section 8 "opt-outs" and expirations, nor does any federal or state law prevent conversion of non-federally financed housing.

Section 8 "Opt-Outs"

For those properties with project-based Section 8, HUD automatically renews a Section 8 contract unless the property owner files a Notice of Cancellation; HUD requires the property owner to notify the building tenants of contract cancellation at least one-year in advance. If a property owner files notice, HUD may respond by offering the property owner a rental increase. The rental increase is provided as an incentive to preserve the at-risk units. However, the owner has the option to reject this rental increase and "opt-out". The 221 (d)(4)-assisted buildings with Section 8 contracts are potentially at-risk of conversion to market-rate, while the 221(d)(4)-assisted properties without project-based Section 8 do not represent a preservation problem.

In the City of Los Angeles, four (4) housing developments, with 318 units, may be subject to Section 8 opt-out. However, it is highly unlikely that owners will voluntarily terminate their Section 8 contracts due to the option of higher contractual rent as determined by HUD.

STATE AND LOCAL INCENTIVES

No similar legislation has been passed at the State or local level.

CITY OF LOS ANGELES AT-RISK INVENTORY

The At-Risk inventory is a comprehensive, city-wide list of multi-family housing development with units potentially at risk of conversion to market rate (see Summary Table A); the City of Los Angeles' At-Risk inventory is included as Attachment A of the Housing Element.

METHODOLOGY

The City of Los Angeles' At-Risk inventory of multi-family rental housing units with affordability controls and their potential conversion dates was identified utilizing the California Housing Partnership Corporation's "Inventory of Federally-Subsidized Low-Income Rental Units at Risk of Conversion," the assisted multi-family inventories of the City of Los Angeles' Housing Preservation and Production Department, Community Redevelopment Agency, the Housing Authority, and the California Housing Finance Agency.

Between July 1, 1989 and June 30, 1999, a potential 17,224 units, located in 477 buildings, are eligible for conversion in the City of Los Angeles. Of these units, 10,720, or 62%, are family units; 5,507, or 32%, are senior units; and 997, or 6%, are disabled units or other. All of these units have been developed by private non-profit or for-profit sponsors who have utilized subsidies or financing provided by the public sector at the local, State, and/or federal levels.

During the July 1, 1989 to June 30, 1994 analysis period, a potential 11,082 units are eligible for conversion to market rate. Of this potential, 6,390, or 58%, are family

units; 3,852, or 35%, are senior units; and 840, or 7%, are disabled units or other.

During the July 1, 1994 to June 30, 1999 analysis period, a potential 6,142 units are eligible for conversion to market rate. Of this potential, 4,330, or 71%, are family units; 1,655, or 27%, are senior units; 157, or 2%, are disabled units or other.

ANALYSIS OF AT-RISK PROJECTS

Housing developers often access several finance and subsidy sources. The subsidy source with the earliest expiration date is analyzed; this analysis might be considered conservative based on this earliest expiration date assumption.

July 1, 1989 to June 30, 1994

A potential 11,082 affordable units, located in 273 buildings, are potentially eligible for conversion during the first five-year analysis period (see Summary Table A in Attachment A). Of these units, 9,437 at-risk units, in 134 buildings, received federal assistance; and 1,645 at-risk units, in 139 buildings, received State or local assistance. As stated, these units are largely family and senior units.

One hundred eleven (111) buildings, with 7,723 units, expiring in this time period, are ELIHPA or LIHPRHA-eligible. These buildings were federally-assisted under the Section 221(D)(3) and Section 236 programs. Due to this large number of expiring affordable housing, the City of Los Angeles Housing Preservation and Production Department has a Prepayment Program with staff who monitors these buildings, facilitates technical assistance, and actively works with the tenants, owners,

and other government agencies to assist in preservation. Additionally the City of Los Angeles Affordable Housing Commission adopted policies to evaluate ELIHPA-filed Plan of Action; similar policies are being developed for LIHPRHA.

The City of Los Angeles' adopted policies regarding ELIHPA-filed Plan of Action (POA) includes the following:

- sets forth the mechanism to notice all tenants and other interested parties of a POA filing;
- creates a relationship with HUD as part of POA negotiations and review process;
- directs Housing Preservation and Production Department staff to review all POA's for compliance with City policy;
- provides rehabilitation inspection services to tenants groups to ensure that local housing standards are met;
- assists in identification of priority purchases for all at-risk housing developments; and
- encourages owners to enter into negotiations with the City to secure First Right of Refusal to acquire the property at fair market value upon expiration of the Regulatory Agreement.

To date, thirty-three (33) Plans of Actions (POAs) have been filed with HUD, of which eleven (11) POAs have been approved; the Plan of Action includes the owners' plans to extend the affordability contract. As a result, those buildings with an approved Plan of Action are no longer considered to be at-risk of conversion. (See Summary Table E: At-Risk Inventory, Plan of Action Status.)

For the locally-assisted at-risk units, the City of Los Angeles Housing Preservation

and Production Department began efforts to re-finance expiring bond restrictions. The refinancing of expiring agreements, begun in 1990, intends to extend the affordability controls on City-assisted bond-financed units. To date, ten (10) housing developments, with a total of 701 units, have been refinanced, extending the length of affordability. In addition to refinancing existing agreements, the City of Los Angeles is exploring alternative incentives for the preservation of these units. For example, depending on the number of dwelling units to be preserved in a housing development, a variety of funding resources will be made available to extend the length of affordability. At this time the City of Los Angeles Housing Preservation and Production Department is in the process of collecting background residential and financial information for each locally-assisted housing development and is developing an on-going long-term preservation strategy that maintains this affordable housing stock.

The preservation strategy, developed by the Housing Preservation and Production Department, will act as a preservation model to maintain the at-risk affordable housing stock financed through other City housing agencies.

July 1, 1994 to June 30, 1999

A potential 6,142 units, located in 204 buildings, are potentially eligible for conversion during the second five-year analysis period. Of these units, 4,132 at-risk units, in 55 buildings, received federal assistance; 2,010 at-risk units, in 149 buildings, received State or local assistance. These units are primarily family units.

Forty-two (42) buildings, with 3,228 units, expiring in this time period, are LIHPRHA-eligible. These buildings were federally-assisted under the 221(D)(3) and Section 236 programs. Similar to the first analysis period, Housing Preservation and Production Staff assists in preservation of these units.

For locally-assisted at-risk units, the Housing Preservation and Production Department plans to continue to find refinancing and refund units for owners that are willing to maintain long-term affordability standards.

REPLACEMENT VERSUS PRESERVATION COST ANALYSIS

The purpose of this analysis is to compare the cost of options available to a community faced with a potential conversion problem, and to determine the level of local subsidies required to assist in preservation efforts. The cost analysis will enable the City of Los Angeles to assess the cost associated with the two options, replacement or preservation, of housing.

Summary Table A - At-Risk Inventory, By Government Assistance Type exhibits a comparative analysis of all of the units potentially at risk of conversion in the City of Los Angeles. Summary Table B - Replacement Cost vs. Preservation Cost exhibits the cost to replace the same at risk units in comparable size and rent levels. Similarly Summary Table B-1 exhibits the comparative analysis for July 1, 1989 to June 30, 1994, and Summary Table B-2 exhibits the comparative analysis for the period July 1, 1994 to June 30, 1999. Summary Table C - Public Subsidy Required For Replacement vs. Public Subsidy Required For Preservation exhibits

the estimated public subsidy required to preserve or replace the at risk units. The July 1, 1989 to June 30, 1994 planning period is exhibited in Summary Table C-1 and the July 1, 1994 to June 30, 1999 planning period is exhibited in Table C-2.

Section 202 assisted residential units are excluded from the cost analysis because they are protected for the full mortgage term (see Financing Programs).

In comparing the two options, the preservation of units is clearly a better public policy option. The replacement cost analysis attempts to approximate costs of rebuilding units under current building prices and conditions, which are comparable in size to the units at risk of conversion. Comparability also entails any subsidies required to maintain current tenants' rent levels. Based upon the analysis done, the estimated cost of replacing the at-risk units for the July 1, 1989 to June 30, 1994 analysis period is \$1,464,295,000. The estimated cost of replacing the at-risk units for the July 1, 1994 to June 30, 1999 analysis period is \$846,979,000. The estimated public subsidy required to achieve comparability for the first analysis period replacement is \$1,192,053,218, while subsidy requirements for the second analysis period is \$654,521,292. This represents a per unit subsidy of \$98,483.

The preservation cost analysis involves the acquisition of at-risk projects in addition to some minimal amount of rehabilitation and the retention of current rent levels for tenants. The estimated cost of preserving the at-risk units for the July 1, 1989 to June 30, 1994 analysis period is \$788,417,760. The estimated cost of preserving the at-risk units during the July 1, 1994 to June 30,

1999 analysis period is \$447,184,400. The estimated public subsidy for the first analysis period is \$134,213,486, while the second analysis period preservation requires a \$101,033,261 public subsidy. This represents a per unit subsidy of \$24,726.

The difference between replacement and preservation represents significant expense and subsequently, subsidy requirements to mitigate the loss of affordable units. A difference of \$2,276,511,240, or \$65,458 per unit, exists between attempting to replace at-risk units versus attempting to preserve the units. Similarly, a difference of \$2,565,122,891, or \$73,757 per unit exists between the subsidy levels required to retain or replace the at-risk units at current rent levels.

The preservation of at-risk units is a much more cost-effective method of retaining affordable units. The costs of land and construction in the City of Los Angeles are high such that re-creating the stock of at-risk units with its deeply targeted subsidies, is cost-prohibitive without the infusion of large public subsidies. Given the limited resources currently available at the local, State, and federal levels, even with the incentives offered to qualified projects pursuant to LIHPRHA, the replacement of all at-risk units is impossible. Even with public subsidies combined, a per unit subsidy of \$98,483 as required under the replacement cost analysis, is not likely at any time during this analysis period. On the other hand, a per unit subsidy of \$24,726 as required under the preservation cost analysis, is much more achievable.

The cost analysis makes clear the need for access to all available financial resources including private sources in order to prevent

the loss of at-risk units. Moreover, the analysis makes clear the need to work with organizational resources to achieve preservation targets. Given the extensiveness of the conversion problem, reliance on local, State, or federal financing programs is not sufficient to assure preservation. There has been such a variety of financing and subsidy programs used to build affordable housing in the past that existing State and federal financing or incentive preservation programs do not address the possible conversion of many non-federally financed housing projects. Finally, long-term preservation is not guaranteed without enlisting in the active support and participation of tenants and local non-profit agencies willing to acquire and maintain at-risk units as permanently affordable housing.

RESOURCES FOR PRESERVATION

The following entities have expressed an interest in being considered for the acquisition and management of at-risk properties within the City of Los Angeles, through the Right of First Refusal Program coordinated by the State Department of Housing and Community Development:

ORGANIZATIONS

- Community Redevelopment Agency, City of Los Angeles
- Concerned Citizens of South Central Los Angeles
- FAME Housing Corporation
- Foundation for Social Resources, Inc.
- Housing Authority of the City of Los Angeles

- Housing Preservation and Production Department, City of Los Angeles
- Korean Youth Center
- Los Angeles Community Design Center
- Skid Row Housing Trust

(Source: State of California Department of Housing and Community Development)

Additionally the following organizations have expressed an interest in assisting prepayment developments:

ORGANIZATIONS

California Housing Partnership Corporation
 California Mutual Housing Association
 Catholic Charities
 CHARO (Community and Human Resources Inc.)
 Concerned Citizens of South Central Los Angeles
 Los Angeles Community Design Center
 New Economics For Women
 Venice Community Housing Corporation
 Watts Community Housing Corporation

Of these organizations, the City of Los Angeles' Housing Preservation and Production Department in consortium with local non-profits and tenant organizations is most likely to assist in the preservation of the City's at-risk housing developments. The Housing Authority of the City of Los Angeles may be able to assist in preserving this affordable housing stock by providing Section 8 certificates and vouchers for eligible households.

FINANCING SOURCES

HUD - Preservation of At-Risk Housing, Pursuant to LIHPRHA

During FY 1992, approximately \$700 million was appropriated nationally for preservation activities. Although it is difficult to estimate the total amount of funding that will be appropriated under ELIHPA and LIHPRHA during the July 1, 1989 to June 30, 1994 analysis period, it is expected that funding will continue to be available from HUD and will therefore be considered a primary resource for local preservation efforts of qualified federally-assisted projects.

As part of the appropriated \$700 million, funds will be designated for additional Section 8 contracts for the prepayment housing developments.

Community Development Block Grant (CDBG)

Historically, the City of Los Angeles has received approximately \$30 million annually in Community Development Block Grant funds. Barring any substantial fluctuations in HUD appropriations, it is reasonable to expect a similar amount of funding over the next five years, during the first analysis period. Total CDBG funding during this period would be approximately \$125 million.

The CDBG funds are typically allocated to housing programs that fund the development of new affordable housing, single-family and multi-family rehabilitation, and minor home repairs. It is expected that the funding

priorities will remain consistent, making CDBG resources unlikely for major preservation activities.

Low and Moderate Income Housing Fund (20% Set-Aside of the City of Los Angeles Community Redevelopment Agency Tax Increment Revenues)

The City of Los Angeles Community Redevelopment Agency has approximately \$40 million in 20% increment funds for housing programs. These housing programs include residential rehabilitation and acquisition, and the majority must be used in redevelopment areas.

Mortgage Revenue Bonds

Beginning in 1982, the City of Los Angeles has issued tax-exempt revenue bonds for the development of multi-family rental housing.

Part of the City's preservation strategy is to refinance such projects with tax-exempt bond proceeds (bond refunding) in exchange for extended and strengthened affordability controls. Mortgage revenue bonds can also be a resource for acquiring and preserving at-risk units that were not originally financed with bond proceeds. Since 1990, ten (10) housing developments, with a total of 701 units, have been refinanced, extending the length of affordability.

As bond refunding is an elective activity to which the owner must agree, it is difficult to project how much financing and bond authority the City would need to preserve these at-risk developments. Mortgage revenue bonds continue to be a viable finance source in the City of Los Angeles.

State Bond Financing (upon availability)

The availability of financing at the State level, typically funded through voter-approved general obligation bond issuances, will be considered a source for local preservation activities. Historically, such bond proceeds are administered by the State of California Department of Housing and Community Development and have been used to fund primarily new construction and rehabilitation housing projects.

The City of Los Angeles does not anticipate funds for the coming year. No State Bond Issue is on the ballot and funds are currently depleted.

Housing Authority Reserves

The Housing Authority of the City of Los Angeles (HACLA) will consider the use of available funds for preservation activities if such funds are not needed for normal operating expenses and are used in accordance with Housing Authority policy.

PRESERVATION OBJECTIVE

The City of Los Angeles' goal is to preserve all of the at-risk affordable housing stock; however, the City recognizes that some property owners may refuse to participate in a public agency-sponsored preservation program. Consequently, the City of Los Angeles expects to preserve ninety (90) percent, or 15,502 units, of the at-risk affordable housing stock over the ten-year analysis period.

PRESERVATION PROGRAMS

The following City of Los Angeles programs and policy efforts will be undertaken over the ten-year analysis period of the Housing Element amendment.

Consistent with Housing Element policy, the City shall support continued affordability of units subject to termination of federal mortgage or rent subsidies and expiring bond projects (1.2.1).

P-17 Long Term Affordability Standards

Establish long-term Affordability Standards; develop a realistic and balanced affordability policy that adjusts consistently and clearly to the continuum of City assistance levels in affordable housing — from expediting to density bonuses to tax-exempt financing to deep subsidy. Policy will address ownership as well as rental housing.

Responsible Agency(s) HPPD, CRA

Financing Source: Department
 Budget

Time Frame: Adopt Citywide standards by 10/93

P-30 Expiring Affordability Requirements For Bond Projects and other locally financed Developments; financed and other locally subsidized affordable housing projects which are required to meet rent and mortgage restrictions for a limited period of time and then revert to market rate. To preserve affordability, the program will refinance and refund units for owners that are willing to maintain long term affordability standards.

Responsible Agency(s): CRA, HPPD

Financing Source: CDBG, Tax
 Increment,
 B o n d
 Proceeds,

Time Frame: Establish a
 Citywide
 strategy by
 6/94

**** The Housing Preservation and Production Department and the City Planning Department have prioritized the enactment and adoption of a Density Bonus Ordinance by October 1993. In conformance with state law, the Density Bonus Ordinance will set out the conditions and procedures that apply to density bonus units.**

Comprehensive Housing Affordability Strategy (CHAS) - Related Programs

2.4.1 HUD Prepayment Housing Preservation Strategy

Provides information and outreach to tenants at risk of displacement; technical assistance to tenant organizations; training of consultants and non-profit organizations to provide specialized technical and financial packaging assistance; and owner outreach. In addition, the program monitors submitted HUD Plans of Action; facilitates technical assistance and HUD 241(f) tax exempt financing for non-profit and tenant purchases; monitors and interprets HUD regulations on prepayment, and co-sponsors lender meetings on pre-development and financing with HUD. Financial assistance is only granted to projects which guarantee

affordability standards for the lifetime of the building.

Responsible Agency(s): HPPD

Financing Source(s): HUD

Time Frame: 6/94 - Link with HACLA, CRA, and other resources to provide support. Work with the existing non-profit community to develop capacity and expand non-profits into unserved areas.

2.4.2 Expiring Affordability Requirements for Bond Projects and Other Locally Financed Developments

This program addresses the problem of bond financed and other locally subsidized affordable housing projects which are required to meet rent and mortgage restrictions for a limited period of time and then revert to market rate. To preserve affordability, the program will refinance and refund units for owners that are willing to maintain long-term affordability standards.

Responsible Agency(s): HPPD

Financing Source(s): Tax-Exempt
Revenue
Bonds

Time Frame: On-Going

** At this time the City of Los Angeles Housing Preservation and Production Department is in the process of surveying each locally-assisted housing development and is developing an on-going long-term preservation strategy. This preservation

strategy will act as a model for other City housing agencies.

2.8.6 City-wide Replacement Policy
Develop a City-wide replacement policy by reviewing the existing replacement requirements and studying the impact and effectiveness of replacement requirements.

Responsible Agency: HPPD

Financing Agency(s): Departmental
Budget

Time Frame: 6/94

Housing Capacity and Production

Section 65583 of the California Government Code requires that each city's and county's housing element, "identify and analyze existing and projected housing needs and that the element identify adequate sites for housing, including rental housing, factory-built housing and mobile homes, and shall make adequate provision for the existing and projected needs of all economic segments of the community".

In its 1988 Regional Housing Needs Assessment (RHNA), SCAG estimates that the City needs to construct 129,100 new housing units between July 1989 and July, 1994, in order to accommodate projected population growth. This projected need represents expected population growth, anticipated average vacancies and demolitions.

This Housing Element contains a general discussion about AB283 (the General Plan Zoning Consistency legislation) and an

analysis of its impact on the availability of land for residential development. Policies and implementation strategies have been formulated which indicate where and how the City should provide additional residential capacity through amendments to the General Plan and through a number of legislative tools (i.e., mixed use ordinance, adopted jobs/housing relationship policy, etc.).

The Planning Department, through its Community Plan Revision Program, will identify and rezone land within designated center study areas, along major transportation corridors and at transit station stops. This will assist the City in implementing its policy of managing the relationship between land uses and transportation functions along major thoroughfares. The policies and implementation programs in this Element will result in an increase in land zoned for residential purposes over the amount currently available for housing. Residential land uses in centers, along major transportation corridors and adjacent to transit stations, where changes are recommended and planned, will accommodate higher density residential development.

According to SCAG the median rent in the City of Los Angeles has doubled over the past ten years and more than 62 percent of the City's households must pay in excess of 30% of their household income for shelter. Only one in every five families can afford the \$244,500 median priced home in the City; and although the housing vacancy rate is 6.35 percent, the Census indicates that 270,957 households live in overcrowded conditions.

The Housing Element contains policies designed to spur increased production of rental and ownership housing affordable to very low, low and moderate income households to address the shortage of housing options available to this segment of the City's population. The resources needed to implement these measures are identified in Chapter VI.

Barriers

One of the many factors contributing to the high cost of new housing units is governmental regulation of the development process. The City of Los Angeles has many specific plans, interim control ordinances and special study districts, all of which require some type of review process and which add three to four months to the time required for processing of permits. In some instances, this time adds thousands of dollars in interest charges to projects.

The City has taken a number of steps to reduce most of these delays for affordable housing projects and is continuing to improve its performance in this area.

Opportunity/Accessibility

The Regional Housing Needs Assessment (RHNA) estimates the number of low income households paying more than 30 percent of their income for shelter. State law requires that the City address the needs of this group in preparation of its Housing Element. In addition, the state identifies a number of other population segments with special housing needs--the elderly, homeless, handicapped, large families, female heads of household, and farm workers. The Housing

Needs Assessment Section of this chapter identifies these and other special needs groups.

A number of concerns were identified which deal with promotion of the integration of all segments of society within the City's neighborhoods. These concerns are addressed in the Housing Element by including policies and programs aimed at ensuring there is no arbitrary discrimination with regard to race, religion, national origin, sex, sexual orientation, age, disability or other such characteristics in the building, financing, selling and renting of housing. The Element restates the City's affirmation and support of fair housing laws. The policies are also designed to encourage the distribution of housing for low and moderate income persons throughout residential and compatible commercial districts in the City and to encourage design and construction of housing for the physically disabled, aged and families with children.

Liveable Neighborhoods for Everyone

It is the intent of the City to ensure a balance between residential land use densities and intensities and the capacities of the circulation and service systems and the general quality of life for all residents. The policies in this element are designed to provide for the housing needs of all segments of the community while, at the same time, recognizing the need to protect residential areas from adverse impacts from adjoining uses and to promote continued stability of established neighborhoods. Programs herein provide for increased densities within designated center study areas, along major transportation corridors and within neighborhoods in transition

(through the Community Plan Revision process) while providing for preservation of existing stable neighborhoods, both single- and multiple-family.

Jobs/Housing Relationship

The past decade has seen rapid increases in population and economic growth for the City of Los Angeles and the Southern California Region. This accelerated growth has resulted in increases in commuters and has contributed to a number of urban problems, including increased congestion, energy depletion, air pollution, urban sprawl and class segregation.

Faced with the need to establish policies which would address these concerns and which would shape the City's future development, including the City's urban form and the relationship between jobs and housing, in ways that would reduce air pollution and traffic congestion, the Los Angeles City Council adopted a Citywide General Plan Framework. This Framework represents the City's milestone attempt to integrate land use and transportation planning at a citywide level. The Framework's accompanying work program recognizes that the pattern of low- and high-density development and the proximity of jobs and housing will be key, critical factors to maintaining the City's quality of life, managing traffic congestion and reducing air pollution. The Housing Element, along with the other elements of the City's General Plan, sets forth a number of balanced growth policies and programs to support the Citywide General Plan Framework.

Housing Quality

Housing quality involves not only the physical condition of the City's housing

stock but also the livability of the neighborhood and the adequacy of its amenities, facilities and services. Discussions of housing quality has at times focused on the need to set at least some minimum standards of livability in all of the City's housing developments. In addition to enhancing livability, these standards promote the acceptability of affordable housing to the general population. Good design of buildings enhances neighborhoods. All economic segments of society should be able to live in well designed housing suited to their particular needs.

Concerned by the need to promote livability and enhance security of housing developments that serve all segments of the population, the City Planning Commission adopted a policy which provides for minimum usable open space of 100 square feet per unit in all multiple residential developments of six dwellings or more which require commission approval. A site plan review ordinance was also adopted to help ensure that projects with 35 or more dwelling units are properly related to their sites, surrounding properties and environmental setting. In addition, Housing Element policies encourage building designs which incorporate adequate space for privacy and recreation and calls for enforcement of code standards which provide minimum levels of light, air and amenities in all housing.

PROJECTIONS: POPULATION, EMPLOYMENT, HOUSING

Subregion

Population, employment and housing projections for the year 2010 are extracted from the Growth Management Plan, prepared by the Southern California

Association of Governments (SCAG) for the SCAG region, which includes Los Angeles County. The Los Angeles County subregion is the most populous county in the region and represents one-third of the state's population.

Projections for Los Angeles County indicate the subregion will continue to grow in population, housing and employment over the next 20 years. Los Angeles County is expected to lead the SCAG region with gains in population (9,948,700 in 2010), housing units (3,835,400 in 2010) and employment (5,524,100 in 2010).⁴

By 2010 Los Angeles County will have 57% of the region's population, 52% of its housing and 62% of its employment. In the area of housing growth, other counties in the region will show faster growth than Los Angeles County. For example, compared to an expected housing growth rate of 31% in Los Angeles County, other counties will account for much higher growth rates: Orange County (61%), San Bernardino County (137%) and Riverside County (174%).

While Los Angeles County's share of regional employment declined from 68% to 62% in 1984, jobs in the county are projected to increase by 36% over the period 1984 to 2010.⁵

City

According to SCAG, the population in the City of Los Angeles is expected to reach 3,849,167 persons by the year 2010⁶, a projected increase of 363,764 persons from 1990.⁷ If the population in Los Angeles grows as expected over the next 20 years,

the City would comprise 39% of the population of Los Angeles County.

The City is forecasted to have an employment level of 2,211,241 jobs by the year 2010. This forecast is based on job and wage level projections from 1987 to 2010. Using 1987 as a basis of comparison, the City is projected to have an increase in employment of 85% by 2010.⁸

From 1990 to 2010, increases in employment at all wage levels are projected to be between 87% and 89%. Employment at the lowest wage level (under \$250/week) and middle wage level (\$400-\$499/week) will have the greatest concentration of employment relative to other wage levels (325,137 and 304,834, respectively). This represents 28% of all employment by 2010, which signals a particular need for housing affordable to the middle and lower wage levels.

According to SCAG, housing units in the City are projected to grow by 252,286 units in the 20-year period between 1990 to 2010. In 1990 there were approximately 1.3 million housing units in the City (40% were single family, and 60% multiple family) compared to a projected 1.6 million by the year 2010 (38% single family, 62% multiple family).

1989-1994 Projected New Construction Needs

The state requires each locality to identify existing and projected housing needs, including its share of the regional housing need. A locality's share of the regional housing need is the combined housing needs of persons, at all income levels, within the

area significantly affected by the localities' general plan.

Each council of governments that has jurisdiction over a locality identifies regional housing needs every five years. This need is allocated to cities and counties (unincorporated) areas in the region, which in turn utilize the numbers in their housing elements. The state requires that housing needs be quantified by the regional government and used as the basis of local housing elements.

According to SCAG's 1988 Regional Housing Needs Assessment (RHNA) the new construction needs for the City of Los Angeles during the period from 1989 to 1994 is 129,100 units. Theoretically, this is the number of units required to adequately house the City's projected population at the end of the five year period covered by the RHNA in units that are affordable, in standard condition, and not overcrowded. This number is identified in Table 1.

Table 1 also distributes this housing need by income levels. The income level categories (defined in Sections 6910-6932 of the California Administrative Code) are very low (less than 50% of the county median income), low (50-80% of the county median income), moderate (80-120% of the county median income), and high (more than 120% of the county median income).

Table 1 also sets forth goals for rehabilitation and conservation of existing dwelling units, by income category.

TABLE 1
ANNUAL (FIVE YEAR) HOUSING GOALS

Income Category	New Construction	Rehab	Conservation
Very-Low-Income	19,804	10,536	5,984
Low-Income	30,803	6,146	2,993
Moderate-Income	24,882	878	997
Above Moderate	53,611	none	none
TOTAL	129,100	17,560	9,974

Source for new construction figures: Southern California Association of Governments, Regional Housing Needs Assessment for Southern California, 1988.
Source for Rehab and Conservation figures is Housing Preservation and Production Department.

It is projected that a total of 129,100 units will be constructed, 17,560 units be rehabilitated and 9,974 conserved over the five year period, by income category as shown in Table 1. New construction goals to meet RHNA needs are 19,804 units for very low income households, 30,803 units for low income households, 24,882 units for moderate income households and 53,611 units for above moderate income households. Approximately 460,000 units are preserved through the City's Rent Stabilization Ordinance which ensures that certain rents remain affordable.

The Building and Safety Department reports that during April 1980 to September 1989, the City of Los Angeles added 148,980 units to its housing stock (Table 35). Ninety percent were in multiple units and ten

percent in single family units. An average of 14,898 units were constructed annually during the decade. For the two year period 1990 and 1991, 17,370 apartments, 3,454 single family and 1,203 condominium units were constructed, an average of 11,000 housing units annually, which is less than the averages of the previous decade.

The major determinant as to whether the City reaches its goals will be economic conditions affecting growth nationwide and Southern California in particular. During the five-year period 1984-1989 the city produced less than its current 5-year RHNA housing goal (101,919 units compared with 129,100 units.) The programs set forth in this element are intended to provide every possible incentive to housing production and preservation to help meet the City's future housing needs.

Table 2 breaks down the future housing need into those housing market forces it accommodates: household growth, vacancies, and demolitions.

TABLE 2
CITY OF LOS ANGELES
FUTURE HOUSING NEEDS FACTOR

FIVE YEAR 7/89-6/94 FUTURE NEED	HOUSEHOLD GROWTH 7/89-6/94	VACANCY ADJUSTMENT	DEMOLITION ADJUSTMENT
129,100	82,501	33,704	12,895

Source: Southern California Association of Governments, Regional Housing Needs Assessment for Southern California, 1988.

Of the six counties in the Southern California region, Los Angeles County has the highest future housing need with 305,392 units, or 49% of the regional total future need. Orange County has the second greatest need with a total of 98,381. This is far below that of Los Angeles County. Los Angeles County's lower income needs were almost equal to the regional average for very low and low income (37.1%), and moderate and upper income (62.9%).

Of the 85 jurisdictions in the County of Los Angeles, the City of Los Angeles had the greatest need for housing with 129,100 units needed to house all income levels within the five year period from 1989 to 1994. Of these 75,489 (58%) are needed to house very low, low, and moderate income residents.

While 129,100 units are needed to house the City's residents over the five year period covered by the RHNA, there is no guarantee that these units will be built. If current trends continue, most of the units produced (unless publicly assisted) will be market rate and inaccessible to the majority of the income levels in need.

HOUSEHOLD CHARACTERISTICS

Level of Payment Compared to Ability to Pay

Existing Need

The 1988 RHNA identified Existing Need in each SCAG jurisdiction in terms of overpayment by lower income households. Rental or house payments that exceed 30% of gross monthly income are considered overpayment.

In 1990, there were 1,219,770 households in the City of Los Angeles, of which 558,045 were lower income. Lower income households are those within each jurisdiction that have incomes of less than 80% of the County's median income. This category includes very low income (less than 50% of median) and low income (50-80% of median).⁹

Of the total number of households in Los Angeles in 1990, 31% were overpaying for shelter. This equates to 372,517 households paying more than 30% for shelter (67% of the total number of lower income households). Table 3 shows the Existing Need, comparing the City of Los Angeles and the County of Los Angeles.

The City of Los Angeles has a sizeable concentration of lower income households. As shown, 47% of all lower income households in the County are in the City.

When assessing overpayment based on tenure, renters when compared to owners pay more than 30% of their income for housing. Of those overpaying for shelter, 87% are renters (322,327); 74% of these renters are very low income. Table 4 compares overpayment between owners and renters.

It is important to recognize that existing need does not count lower income households who live in substandard housing,

the homeless nor those who live in overcrowded conditions.

Existing need reflects a necessity for affordable housing accessible to households at the low and very low income levels. In 1988, Existing Need was 293,016, indicating that at a minimum 293,016 units at payment levels affordable to lower income households should have been available in the City to meet this need. Given the great overpayment burden faced by lower income renters, affordable rental housing is of critical importance.

Affordability

In 1990, the median home value in Los Angeles was \$244,500; 48% of homes were valued at \$250,000 or more.¹⁰ Though a home's value does not determine the actual or potential sales price which is market driven, it is probable that with the average home value in Los Angeles at this level, the purchase price of homes is out of reach to most of those who live in Los Angeles—not simply low to moderate income households.

The median rent in 1990 was \$544 in Los Angeles. Almost one-half of all rental units in Los Angeles rented at \$550 and over.¹¹ The affordable monthly housing expense for very low income renters in 1990 was \$521 (family of four).

This means that the average rent in 1990 was unaffordable to very low income households. Moreover, a sizeable number of units rented at higher than the average and the options, therefore, available to very low income households were limited.

Overcrowding

According to the U.S. Census Bureau, 1,217,405 units were occupied in 1990. Owners occupied 479,868 of available units; renters occupied 737,537 of same. Vacant units for sale or for rent totalled 61,298.

The extent of overcrowding in units is defined as more than 1.01 persons per room. There were 270,957 total overcrowded units in the City of Los Angeles in 1990. Overcrowding in the City is highest in rental units. In all, 30% of all renter-occupied units were overcrowded,

TABLE 3

EXISTING NEED CAP

1988 Low-Income Household's Overpaying for Shelter

<u>Jurisdiction</u>	<u>Households</u>	<u>Total</u>	<u>Very Low</u>	<u>Low</u>
City of L.A. (1990)	558,045	372,517	269,000 (48%)	103,517 (19%)
County of L.A. (1988)	1,201,441	618,530	412,915 (34%)	205,615 (17%)

Source: Southern California Association of Governments, Regional Housing Needs Assessment (RHNA), December 1988.

TABLE 4

HOUSEHOLDS OVERPAYING FOR SHELTER

<u>Owners</u>	<u>Owners</u>	<u>Owners</u>	<u>Renters</u>	<u>Renters</u>	<u>Renters</u>
<u>Total</u>	<u>Very Low</u>	<u>Low</u>	<u>Total</u>	<u>Very Low</u>	<u>Low</u>
50,190	30,442	19,748	322,327	230,557	83,770

Source: Southern California Association of Governments, 1990 Estimates.

compared to 10% of all owner-occupied units.¹²

Geographically, overcrowding is concentrated in the central parts of the City. The following plan areas represented 46% of total overcrowded housing units in the City: Wilshire (30,683 units); Southeast Los Angeles (26,249 units); South Central Los Angeles (24,053 units); Northeast Los Angeles (22,811 units); and Hollywood (21,579 units).¹³

The lowest amount of overcrowding in 1990 was in more affluent areas of Bel Air-Beverly Crest (75 units); Brentwood-Pacific Palisades (416 units); and Sherman Oaks-Studio City-Toluca Lake (943 units). Combined, these areas accounted for less than 1% of the City's overcrowded units.

The number of severely overcrowded units (defined as 1.51 or more persons per room) increased significantly between 1980-1990 in the City (see data from Community Development Department's 1980 U.S. Census and 1990 U.S. Census STF1A tape, Housing Element Background Report). The seven MEIR areas which had the largest increase (over 100% of the severely overcrowded units) were: 1) South Los Angeles (35,757 units); 2) Metro Center (41,426 units); 3) Southwest Los Angeles (12,847 units); 4) Southeast Valley (13,200 units); 5) Northeast Valley (13,067 units); 6) Northwest Valley (8,203 units) and; 7) Harbor (8,716 units). Citywide, the number of severely overcrowded units increased by 115% (102,193 units).

It is apparent that overcrowding diminishes the quality of life for the residents of the units and accelerates the deterioration of the

City's housing stock. Individuals tend to live in overcrowded housing units because of the lack of available housing which they can afford. The data illustrates the fact that the City's affordable housing need for the increased population is greater than originally estimated.

Housing Stock Condition

Substandard Units

According to the City's Housing Assistance Plan there were 208,006 substandard housing units in the City in 1988; of these, 69% or 144,150 units were substandard but suitable for rehabilitation¹⁴.

Substandard housing is housing which is either structurally unsound, violates the City's building codes, is overcrowded, has incomplete plumbing, or does not meet the Section 8 existing housing quality standards. Substandard but suitable for rehabilitation is defined as housing which in its current condition has deficiencies ranging from minor violations of the City building codes to major health and/or safety violations, but which can be economically remedied.¹⁵

A great majority of the households (71%) residing in substandard housing are lower income households. Latino and Black lower income households form the majority of residents in substandard housing, 47% and 39%, respectively. Asian or Pacific Islander (13%) and American Indian or Alaskan Native households (1%) comprise the remainder of minority households in this category.

Code Violations

In some cases, housing units with code violations provide affordable housing (i.e., converted garages, subdivided houses, living quarters which have not been examined for health and safety conditions). Figures on the cost of compliance and its impact on property owners are not available. It is possible that the cost could be a financial burden for some owners depending on the nature of the violation and the owner's financial standing.

The Department of Building and Safety's Division of Building Inspection tracks building and zoning code violations. After a violation has been discovered, the property owner is notified that the violation must be corrected. This notification is called a Correction Notice or Notice to Comply. A property owner who does not correct the violation is issued a Job Order, and if compliance is not forthcoming, prosecution can be sought.

Over the two-year period commencing July 1988 to July 1990, 23,583 Correction Notices were issued to commercial and multiple-family property owners in Los Angeles by the Department of Building and Safety. Of this number, approximately one-third or 7,782 were issued to owners of multiple-family properties.

Over the one-year period from 1988 to 1989, there was a 72% increase in Correction Notices. From 1988 to 1990 there were 1,328 Job Orders issued citywide. This represented an 84% increase from 1988 to 1989. Tables 5 and 6 provide greater detail on the number of Correction Notices and Job Orders issued.

Between 1988 and 1990 the Van Nuys area received the largest number of Notices to Comply with 38% of the total or 9,003 notices. The Metropolitan Los Angeles area registered the largest number of Job Orders issued during this period, with 44% of the total.

TABLE 5
CORRECTION NOTICES AND JOB ORDERS
Commercial and Multiple Family
1988-1989

<u>Area</u>	<u>Correction Notices Issued</u>	<u>Job Orders Issued</u>
Los Angeles (Central)	3,065	256
Van Nuys	3,209	218
West Los Angeles	2,040	81
San Pedro	<u>1,597</u>	<u>53</u>
Citywide	9,911	608

Source: Los Angeles City Building & Safety Department

TABLE 6
CORRECTION NOTICES AND JOB ORDERS
Commercial and Multiple Family
1989-90

<u>Area</u>	<u>Correction Notices Issued</u>	<u>Job Orders Issued</u>
Los Angeles (Central)	3,271	322
Van Nuys	5,794	212
West Los Angeles	3,504	144
San Pedro	<u>1,103</u>	<u>42</u>
Citywide	13,672	720

Source: Los Angeles City Building & Safety Department

Slum Housing

Slum housing exists where owners collect rents for deteriorated buildings that threaten the health and safety of its occupants. Slum housing is characterized by structural defects, roach and rat infestation, inadequate plumbing, and faulty electrical wiring. While lacking the basic prerequisites of decent, safe and sanitary housing, slum housing remains home to thousands of individuals and families who have limited housing opportunities.

Slum housing tends to be more affordable housing. Rents are, in most instances, lower than rents for decent and safe housing. However, the square-foot costs of slum housing are often higher than housing in more affluent communities. According to the Los Angeles Herald Examiner "even in the newest apartment houses in upscale neighborhoods, the rent per square foot is often much lower than in the dilapidated buildings in the poorest sections of town."¹⁶

Building owners exploit low income tenants by charging rent for deplorable and unsafe housing above what others pay per square foot. Repairs necessary to bring the buildings into compliance with building and health codes are foregone in the interest of profit.

To find and prosecute slumlords, the City established a Slumlord Housing Task Force comprised of the Department of Building and Safety, the Fire Department and the County Health Department. While the continual resale of properties makes it hard to find and initiate legal action against the owner of record, there has been success in this area.

According to the Slumlord Housing Task Force, from January 1, 1985 to June 30, 1990, 70,225 dwelling units and guest rooms were inspected for health and safety violations. Of this number, 2,715 units have been brought up to code and 622 orders to comply have been issued. As of June 30, 1990, there were 62 court cases that had been filed on behalf of the City.¹⁷

The residents of slum housing are economically poor and in some cases on the brink of becoming homeless. Moving to better accommodations assumes that there are decent, affordable housing units available to households of very limited income. This is not the case in the City of Los Angeles.

Moving out of slum housing is difficult. Improved accommodations require poor families to save for first and last month's rent and a security deposit as well as stretch a minimum wage to cover the cost of food, clothing, utilities and rent.

Slum housing is also a problem in single family and low density units such as duplexes and triplexes. Owners of lower density slum buildings are not usually the targets of legal action because, comparatively, they house fewer tenants.

Seismic Safety

Another threat to the City's housing stock is buildings determined to be seismically unsafe. These buildings are of unreinforced masonry or brick construction and pose serious health and safety risks since in the event of an earthquake they are likely to crumble, causing severe structural damage and serious injury. Brick buildings tend to

be older, in greater need of rehabilitation, and more affordable.

Mandatory seismic upgrade or reinforcement is one of the City's responses to mitigate potential loss of life in these buildings as a result of earthquake activity. Division 88 of the Los Angeles City Building Code requires all unreinforced masonry, bearing wall buildings built before October, 1933 to be strengthened in order to reduce the loss of lives. Since the passage of Division 88 in February, 1981, 6,021 apartment units (12%) of a total of almost 50,000 have been lost through demolition. This may have been due to the ordinance, as well as to natural attrition.

The original number (1981) of unreinforced masonry (URM) *bearing* wall residential buildings was 1,676 with 48,519 units. As of August 31, 1991, there are 1,463 buildings remaining housing 42,207 units. These buildings are covered by Division 88 of the Los Angeles City Building Code.¹⁸

There are 1,132 unreinforced masonry, *non-bearing* wall buildings in the City which are not covered by Division 88. These buildings are covered by Senate Bill 547 which requires that buildings be surveyed and a seismic mitigation plan developed to define a program to reduce the potential hazard of these buildings. An ordinance is being drafted to implement this Bill.

Of these 1,132 unreinforced masonry buildings not covered by Division 88, 167 are apartment buildings which house 8,338 dwelling units.

Approximately 80% of unreinforced masonry buildings are located in the

following plan areas: Central City, Westlake, Wilshire, and Hollywood.

The need to seismically upgrade or reinforce these dwelling units poses several issues for the City. First, the safety of residents need to be protected by seismically upgrading unreinforced buildings. Second, residents need interim affordable housing while seismic reinforcement takes place, something currently lacking. Third, preservation and rehabilitation could result in higher priced units.

Age of the Housing Stock

The average age of single family buildings in Los Angeles is 41 years. As shown in Table 7, the oldest single family housing is located in the South Los Angeles MEIR area. The average age of single family housing in this area is 60 years, which is 21 years older than the citywide average. Older housing stock is also concentrated in Northeast Los Angeles and Metro Center, at 54 years and 50 years respectively. The City's newest single family housing stock can be found in the Northwest Valley. The average age there is 27 years, which is 12 years newer than the citywide average. Southwest Valley also has newer housing at an average age of 29 years.

The demand for older housing units increases as a result of a growing need for affordable units. Older units tend to be more affordable to lower income groups, often the only choice available to persons of limited income.

The increased stress on older housing stock caused by high demand increases

TABLE 7
AVERAGE BUILDING AGE IN THE CITY OF LOS ANGELES

<u>MEIR AREA</u>	<u>SINGLE FAMILY AVERAGE AGE</u>	<u>MULTIPLE FAMILY AVERAGE AGE</u>
Northeast L.A.	54	43
South L.A.	60	48
Metro Center	50	42
Southwest L.A.	44	33
Central L.A.	40	48
Southeast Valley	37	28
Northeast Valley	34	27
Northwest Valley	27	24
Southwest Valley	29	23
West L.A.	36	28
Harbor	39	32
CITYWIDE	41	34

Source: City of Los Angeles Planning Department Systems Division, "Average Building Age in the City of Los Angeles," October 1990.

maintenance costs. Owners sometime elect to defer much needed maintenance which exacerbates deterioration of these units.

The average age of apartments in the City is 34 years. The oldest apartment buildings predominate in the South Los Angeles and Central Los Angeles MEIR areas, where buildings average 48 years (12 years older than the citywide average). Older apartments are concentrated in the Southwest Valley (23 years) and Northwest Valley (24 years). Table 7 also provides a breakdown of the age of apartments by MEIR area.

As noted, most of the city's older housing stock is located in Northeast, South and in the Central City areas. In contrast, new construction is greater outside of the metro and central city areas. These new units are

often constructed in areas of the city where the need for affordable housing is not the most acute. Moreover, the vast majority of these newly constructed units are market rate and out of reach to the majority of the City's population.

Public Housing Stock

Public housing is one of the most affordable housing options in the City of Los Angeles, especially for families. The Housing Authority of the City of Los Angeles (HACLA) manages these units which were built after World War II. There are 8,756 units of conventional public housing located in 21 developments that are owned and operated by the Housing Authority. A great percentage of these units (76%) require rehabilitation at an approximate projected

cost of \$300 million over the next five years. Increases in land and construction costs since these units were built render them all but irreplaceable.¹⁹

This housing stock provides low income housing a significant contribution in a market where affordable housing is scarce. The demand for these units is so strong that they are filled to capacity and have waiting lists.

Although they are an important part of the City's overall low-income housing stock, public housing concentrates the City's lower income residents in older housing, which in many instances need significant modernization, and in areas of the City which need economic revitalization, and social reforms. However, several steps can be taken to address long standing problems: 1) physical improvements to the public housing developments can be made to enhance security; 2) comprehensive modernization of the units with design modification to provide added amenities can be expanded; 3) living conditions can be improved through resident involvement, management, and employment; 4) drugs and gangs can be addressed through active programs and 5) economic development of the community can be enhanced through various resident initiative programs.

Special Housing Needs

Elderly

According to the 1990 Census, 470,983 persons in Los Angeles were 60 years and older, representing 13.5% of the City's

3,485,398 population. The number of persons that were between 60 to 64 years old was 123,723 or 3.5% of the population while those 65 or older represented 10% or 345,963 of the population. In 1990 approximately 131,044 dwelling units (or 10%) of the City's 1,299,963 total housing units were owned by persons 65 years and older and 99,256 units were rented.

The elderly face unique problems. Many are on fixed incomes, have no immediate family, lack mobility either through physical impairments or access to transportation and are isolated. In 1988 it was estimated that one out of every nine persons in the United States is elderly.²⁰

The estimated median income for senior citizens is \$20,286 which makes it extremely difficult to afford rental property. In the city the average rent is \$544 per month (or 32% of the average income) in addition to providing food, clothing and other necessities of daily living. The 1990 census indicated that in 1989 there were 34,640 persons 65 years and older below the poverty level and 295,230 above the poverty level. The poverty level in 1989 according to SCAG was \$5,947 for one person and \$7,495 for 2 persons.

In order to fill the gap between income and housing cost many elderly depend on governmental support. It is reported that in 1991, 77,011 individuals or 22% of the elderly population received aid through the Supplemental Security Income (SSI/SSP) program.²¹

Government support, even when supplemented by a pension and savings, simply does not cover the cost of living in Los Angeles for most elderly residents. A

large proportion of the elderly population live alone. Many of them find single-family homes too costly to maintain; others cannot afford multi-family rental housing. Another problem commonly faced is loss of multi-family housing when landlords convert buildings to condominiums. In addition, when landlords move tenants out to renovate buildings, it is extremely difficult for elderly residents to find affordable replacement housing.²²

On the average, women become widowed at age 56. Unless they are disabled, they are ineligible for government support until they reach the age of 62 or 65, when they become eligible for social security benefits or SSI, respectively. Women receive an average of \$399 per month from social security benefits, which is notably less than the average amount received by men (\$521 per month). Many elderly women are not entitled to pension survivor benefits, because their husbands died before their pensions vested.

Furthermore, most elderly women do not have medical insurance coverage until they qualify for Medicare at the age of 65, and then only a portion of their medical costs are covered. Elderly women tend to have less savings than men to supplement their income. Taken together, these factors contribute toward the development of an impoverished subclass of elderly women who cannot afford to pay for housing. Whether male or female, a significant proportion of the elderly find themselves unable to pay for housing in our City.²³

A notable percentage of the elderly are infirm and unable to care for themselves or their homes. If they are cared for in-home by a family member, that person is likely to

be aged or faces multiple demands. These family members are often in need of respite services.

With cutbacks in payment to hospitals and skilled nursing homes, the elderly are staying in medical facilities for shorter periods of time. Hospitals are adopting cost containment policies so that patients are released sooner. To complicate matters, publicly funded services do not include custodial care.²⁴ The elderly have to pay privately for custodial care, or seek the assistance of MEDI-CAL.

Sorely lacking facilities and housing services for the elderly include adult day care, short-term institutionalization, and short-term foster care. These would provide residential care and supportive services to elderly residents who are unable to care for themselves as well as respite care to family members.²⁵

A notable segment of the elderly population does not require constant care and chooses to live in alternative housing. For example, homeowners who have rooms to rent can be matched with people in need of housing, or multi-family dwellers can be matched with roommates. Another option is for 9 to 14 people to share a large renovated home on a co-operative basis.²⁶ These arrangements reduce housing costs and often ameliorate the sense of loneliness and isolation the elderly feel when a spouse dies or extended family members move away.

Whereas these housing alternatives provide the opportunity for independent living coupled with companionship, they also reduce privacy, are sometimes transitory in nature and in short supply. Furthermore, reduced government benefits or rent

originates before the age of 18, but likely to continue indefinitely, and constituting substantial handicap for the individual. Substantial handicap is defined as not being able to use the resources that are available to other people. The handicap cannot be solely psychiatric or solely physical in nature.

The Regional Center for the Developmentally Disabled estimates that approximately 1% of the City's total population (3,500 persons) would fall into the definition of developmentally disabled. Of this number, approximately 40 percent are adults and approximately 10 percent of this adult population would in all probability be able to live independently. In order to function independently, the Center provides their clientele with referrals to public service agencies who provide training in independent living skills, counseling on health issues (including alcohol and drug abuse) and job skills.

It is estimated that 70 percent of the City's developmentally disabled are retarded and 8 percent autistic. Because those with developmental disabilities range from those persons needing total care to persons who are capable of living completely independently, a wide range of housing types should be provided to serve current and future needs.

The City lacks suitable and sufficient housing for the developmentally disabled to live independently. Many of the developmentally disabled live in traditional nuclear families, occasionally remaining with their family of origin into adulthood. Another large segment lives in board and care homes which provide a supervised living/nursing environment.

Physically Disabled

There is a scarcity of housing in the City accessible to the physically disabled. In 1990 only one percent of the City's housing units were accessible, while between 12 and 14 percent of the City's population is physically disabled or is developmentally disabled with some degree of physical disability.

In order to accommodate the City's physically handicapped population, there is a need to adapt houses or apartments for wheelchairs and other special requirements. Although the Americans with Disability Act, adopted July 26, 1990 (Public Law 101-336), requires architectural retrofitting of commercial structures converted to residential use to accommodate the physically disabled, the Los Angeles City Advisory Council on Disability states that there is a need for architectural accessibility in 4 to 15 percent of all housing in the City.

It is apparent that problems of housing availability and affordability are more painful for those segments of the City's population classified as mentally, developmentally and physically disabled than for the non-disabled population. Most of these groups live on a small fixed income which severely limits their ability to pay for housing. Taken together, the factors described herein severely hamper opportunities for independent living for all segments of the City's disabled population. Even housing in small group homes and large facilities is sorely lacking in supply and for many people is prohibitive in cost.

Assuming the need for this population group is the same as the general housing need in the city, there would be a need for 18,074

housing units by 1994. The city currently provides funding for the disabled through Section 202 and 811 funds from state and federal sources. To further encourage the development of housing units for disabled, the City's Commission on Disability is proposing an ordinance (Program 52) that provides that 5% of accessible units required by Title 24 of the State Code be affordable to persons with disability.

Homeless

The 1990 US Census reports indicated that 3,109 persons were determined homeless and visible on the City's streets by the US Census Bureau.³³ At that time an additional 4,597 homeless people were housed in emergency shelters. Many sources maintain that these figures misrepresent the actual number of homeless in part because the "hidden homeless," such as persons living with friends and relatives, in hotels or in garages are not counted.³⁴

According to a study of homelessness done by Shelter Partnership Inc. for the fiscal year July 1990 and June 1991, there were between 63,000 to 100,000 persons homeless at some time during the year in the City of Los Angeles.

As Table 8 shows, the City of Los Angeles has an estimated total of 8,979 homeless families, 24,454 family members including 17,572 children, and between 38,840 and 75,411 homeless individuals. This number does not include homeless unaccompanied youth for which there is no accurate statistical data. The County of Los Angeles however has an estimate of 10,000 homeless youth. If 55.86% (the percentage of County general voucher recipients in the City) is applied to the youth population, the City

would have approximately 5,600 homeless youth.

The nightly count of homelessness was based on the count done by the City of Los Angeles Mobile Ombudsman Program. The nightly count estimates the number of homeless persons on the average on any given night staying on the streets. The survey found a family count of 2,279 families, with 6,207 family members including 4,460 children. The study also found between 15,444 and 29,987 homeless individuals on the street giving a total of between 21,651 to 36,194 individuals, excluding unaccompanied homeless youth, who are homeless each night in the city. (Table 9)

The study was compiled mainly from statistical data obtained from the Los Angeles County Department of Public Services, the State of California Department of Social Services, and the City of Los Angeles Mobile Ombudsman Program. The estimates are considered to be conservative since there are certain categories of homeless that were not included because there is no solid statistical data.³⁵

The profile of the homeless population in Los Angeles includes people from divergent sectors of society. The homeless are the underemployed working poor, unemployed, welfare recipients, battered women, women with children, abused youth, veterans, elderly, disabled, mentally ill, alcoholics, and drug addicts (Shelter Partnership, Inc.). The median age of the homeless person is 33 years, and 67% have completed high school. Sixty-four percent have been

TABLE 8

**Annual Estimate of the Number of Homeless People in the County and City
of Los Angeles - Fiscal Year 1990 - 1991**

Base Data *	
Average AFDC Family Size	2.72
# of children in average AFDC family	1.96
% of AFDC Permanent Assistance recipients that also received Temporary Assistance	61.98%
% of homeless who are undocumented (estimated)	5.00%
% of County AFDC recipients in City of L.A.	41.40%
% of G.R. applicants who are homeless	63.90%
% of duplicate G.R. applications	13.13%
% of County G.R. recipients in City of L.A.	55.86%
% of homeless G.R. eligible individuals who did not apply for G.R.	24.30%

Families	Families	Parents & Children	Children only
AFDC Temp. Shelter recipients	17,178	46,784	33,618
AFDC Perm. Shelter recipients	14,073	38,328	27,541
Less duplicate Temp. Shelter recips.	10,647	28,998	20,837
Unduplicated AFDC Perm. Shelter recips.	3,426	9,330	6,704
Total Unduplicated AFDC H.A. recips.	20,604	56,114	40,322
Homeless Undocumented	1,084	2,953	2,122
Homeless Families County Total	21,688	59,068	42,445
Homeless Families City Total	8,979	24,454	17,572

Individuals	All G.R.	G.R. Vouchers
G.R. applicants	184,103	80,040
Less Duplicate G.R. applicants	24,173	10,509
Total Unduplicated G.R. applicants	159,930	69,531
Less non-homeless	57,735	N/A
Total Unduplicated Homeless G.R. applicants	102,195	69,531
Homeless G.R. eligible non-applicants	32,805	
Homeless Individuals County Total	135,001	69,531
Homeless Individuals City Total	75,411	38,840

Youth	
Homeless	10,000
Homeless Youth County Total	10,000

	High Total	Low Total
TOTAL, ANNUALLY - County of Los Angeles	204,068	125,645
TOTAL, ANNUALLY - City of Los Angeles **	99,865	63,294

* Figures rounded to two decimal places

** City total does not include unaccompanied, homeless youth

Source: Shelter Partnership Inc., The Number of Homeless People in Los Angeles City and County, July 1990 to June 1991.

TABLE 9

**Nightly Estimate of the Number of Homeless People in the County and City
of Los Angeles - Fiscal Year 1990 - 1991**

	%	High Count	Low Count
Individuals			
Over 1 year	24.20%	32,670	16,826
7-12 months	14.80%	9,990	5,145
4-6 months	14.70%	6,615	3,407
2-3 months	16.10%	3,623	1,866
Under 2 months	30.20%	784	404
Homeless Individuals, County Nightly Total		53,682	27,648
Homeless Individuals, City Nightly Total		29,987	15,444

Families		Families	Parents and Children	Children only
Over 1 year	11.30%	2,451	6,675	4,796
7-12 months	9.00%	976	2,658	1,910
4-6 months	15.40%	1,113	3,032	2,179
2-3 months	21.80%	788	2,146	1,542
Under 2 months	42.40%	177	482	346
Families, County Nightly Total		5,505	14,993	10,773
Families, City Nightly Total		2,279	6,207	4,460

	High Total	Low Total
TOTAL, NIGHTLY - County of Los Angeles *	68,674	38,422

TOTAL, NIGHTLY - City of Los Angeles *	36,194	21,651
---	---------------	---------------

* These nightly totals do not include unaccompanied, homeless youth

Source: Shelter Partnership Inc., The Number of Homeless People in Los Angeles City and County, July 1990 to June 1991.

increases by owners negate the economic benefits of shared housing. The level of projected services is also insufficient to meet the needs of the elderly population.

In order to satisfy the needs of the shifts in population and provide information to agencies that provide services to the elderly, the City of Los Angeles, Department of Aging did an analysis of projected service needs based on geographical areas.

The projections are largely consistent with the 1990 census, which found that for those 60 years of age and older, the largest increase of population has taken place in the Northeast, Northwest and Southwest Valley portions of the city with smaller increases in Northeast and South LA and a decrease in Central LA and the Southeast Valley.

The analysis found that on a citywide basis the greatest amount of needs are transportation, affordable housing, case management, financial assistance/employment, long term care for home-bound, guardian conservatorship, and day care.²⁷

In summary, it is projected that not only is housing becoming unavailable for a large number of elderly but the demand for supportive services is exceeding the ability of service providers to provide services because of limited resources.

The need for housing is likely to be exacerbated in the future. It is estimated that by the year 2000, there will be a need for an additional 37,000 units or 3,700 units annually of housing for the elderly.²⁸

To meet the current need the City and Community Redevelopment Agency (CRA) have produced 5,239 senior units while

HUD's Section 202 Program has financed 1,849 senior units totaling 7,088 units.²⁹ CRA has projected that for the 1993 work program it is expected that 406 units for the elderly will be constructed through its set-aside tax increment revenues with an additional 160 units in 1994. The City of Los Angeles Housing Preservation and Production Department has also established a 15% set-aside for low income seniors and will allocate at least 15% of 1992 housing production funds for 350 senior units.

Disabled Population

It is estimated that 500,000 physically, emotionally and developmentally disabled people reside in the City of Los Angeles. While the definition of the term disabled is going through transition, for purposes of this element disabled is defined as someone with a human difference which is judged by society to be a significant disadvantage and to which society responds in some culturally characteristic manner.

The majority of the disabled population live on an income that is significantly lower than the non-disabled population. The Task Force on Family Diversity estimates that at least one-third of all disabled people in the United States live in poverty. The disabled have the highest rate of unemployment relative to other groups. For most, their only source of income is a small fixed pension afforded by SDI, SSI, SSA which does not adequately cover the cost of rent and living expenses even when shared with a roommate.

In addition, the disabled experience discrimination in hiring and training relative to other groups. When they find work, it tends to be unstable and low paying. Most educational programs for the disabled do not provide adequate skills and training, which leaves a disabled person qualified for no more than minimum wage employment.

Mentally Disabled

The mentally disabled or persons permanently disabled by serious, chronic mental illness, are a critically under-served population with respect to housing. It is estimated that there is a minimum of between 35,000 and 70,000 mentally disabled in the City of Los Angeles based upon a general incidence of mental disability of 1 to 2 percent of the population³⁰. Approximately 20-50 percent of these are capable of living semi-independently in their own supported housing units³¹--with assistance in maintaining their apartment, the provision of meals and obtaining transportation, as do other disabled populations.

There is a large homeless mentally disabled population in the City. A recent study by the Shelter Partnership estimated that between 2,700 and 5,000 mentally disabled individuals are homeless nightly. Thousands more are near homeless, moving from one temporary shelter to another, finding themselves periodically homeless. A large segment of the adult mentally disabled now living with aging parents may find themselves homeless in the near future. Many more are temporarily housed in jails, largely due to the unavailability of appropriate, supported housing. They are caught in the revolving door of homelessness and jail³².

As with any population, a full spectrum of housing is needed, from temporary shelters to transitional and permanent housing including group, congregate and independent housing. Independent, supported living is preferable, either through individual or shared homes or apartments, providing each individual with his/her own bedroom. Support services may be provided either on- or off- site.

There is a limited number of day treatment facilities and programs, including drop-in socialization centers to serve the mentally disabled population. The mentally disabled do not have regional centers as do the physically disabled and there is no respite care to families who care for their mentally disabled relatives on a 24-hour basis.

It is also desirable to reserve space for the mentally disabled in larger developments for special needs populations which would integrate them with such groups as the elderly and physically disabled. Developments which serve the general population could also include units for this population; an education effort would be a constructive step as well in this case.

Mixed use developments which provide employment opportunities, along with offices for support services as well as housing would also be useful in addressing the needs of this segment of the City's population.

Developmentally Disabled

According to Sections 4512 of the California Welfare and Institutions Code, developmentally disabled means a disability and mental retardation resulting from cerebral palsy, epilepsy or autism which

TABLE 10

October 23, 1991

1991-1992 COLD/WET WEATHER PROGRAM SHELTER SITES

<u>AREA</u>	<u>AGENDA</u>	<u>SHELTER SITE(S)</u>	<u>NOS. TO BE SERVED NIGHTLY</u>
S.F. VALLEY	Valley Shelter Nancy Bianconi (818) 982-4091	Van Nuys Armory 17330 Victory Blvd. Van Nuys, CA 91405	150
DOWNTOWN	New Image Emergency Shelter Brenda Wilson (213) 490-0665		300
	Fame Christian Asst. Corp. Peggy Hill (213) 737-0897	FAME 2249 S. Harvard Blvd.	75
		Faithful Central Baptist Church 6100 South Hoover	75
	Tiny Town College Dottie Webster (213) 737-6176	3845 S. Vermont Avenue (150 persons for Phases I and II)	100
	Weingart Center Asc. Carol Egerer (213) 627-9000	566 S. San Pedro	50
	Mary Lind Foundation John Haley (213) 382-4241	3350 Drew Street Los Angeles, CA 90026	36
HOLLYWOOD	Lutheran Social Ser. Jim Page (213) 254-3911	Hollywood United Methodist Church 6817 Franklin Street	150
SOUTH CENTRAL	FAME Christian Asst. Corp. Peggy Hill (213) 737-0897	Rakestraw Memorial Center 5139 S. Main Street	150
SAN PEDRO/ WILMINGTON	San Pedro Residential David Acuna (213) 547-3341	921 S. Beacon Street San Pedro, CA 90031 Phase II, only	100
WEST L.A.	Cal Council for Veteran's Affair Ken Brooks (213) 299-6330	West L.A. Armory 1300 Federal Avenue Los Angeles, CA 90024	150

Source: Los Angeles City Community Development Department

homeless for less than one year, and 20% for less than one month. Over 50% of the homeless have lived in Los Angeles for more than five years. It is estimated that 90% of the homeless population are male and that approximately 5% of the 11,250 families, including those in the nightly count, or 563 families are couples.³⁶

A study of Los Angeles County homeless shelters cites lack of low-cost housing as a major cause of increasing homelessness in 85% of all cases. This is consistent with the 1987 findings of the U.S. Conference of Mayors.³⁷

Housing production in Los Angeles has not kept pace with the City's rapid population growth, which has created critical housing needs. An article entitled "Recent Development in Rental Housing in the United States" points out that there was a shortage in 1985 of 3.3 million affordable units nationwide for households earning less than \$5000 annually. That gap is expected to reach 8 million units by the end of the century.³⁸ In the City of Los Angeles, the population grows by 26,000 families annually, mostly through natural growth of the existing population. Yet the City builds less than 12,000 net new homes each year. The result is a shortfall of 14,000 units per year.³⁹

The increase in homelessness in the City is a result of national trends that occurred nationally beginning in the 1960's.

First, the passage by the federal government of the Community Mental Health Centers Act in 1963 allowed the movement of patients from mental hospitals to community-based treatment centers. However, the shortage of community-based

groups and funding for such centers resulted in many patients drifting to inner cities where cheaper rentals were available or health services provided. Among this deinstitutionalized group were also the mentally retarded, physically disabled, dependent elder, probationers and parolees.⁴⁰

Second, there has been a reduction of state welfare programs which began in the 1970's. Federal programs were reduced or curtailed and the burden shifted to state and local governments. Private and non-profit organizations had to supplement federal efforts. The reprioritization of federal spending has pushed millions of people who depend upon social services and welfare checks to the brink of poverty or further below the poverty threshold, causing many to become homeless.⁴¹

Thirdly, the shift of the economy away from manufacturing jobs to service jobs, along with plant closures has driven thousands to the unemployed ranks and to the streets. By 1989, 31.5 million of the nation's population were living below the poverty line, an increase of 15% since 1980.

In most areas of the country, homelessness due to economic circumstances accounts for one-half of the population. Another one-quarter of the population suffers from mental illness, and the remaining one-quarter have had setbacks in personal circumstances such as national disasters or family crises.⁴²

The homeless population extends far beyond the streets and shelters of Skid Row. There is hardly a community in Los Angeles untouched by the crisis of homelessness. Homeless people live in affluent, tree-lined

suburbs of the Westside and San Fernando Valley, on beaches in Santa Monica and Long Beach, in poor neighborhoods in South Central Los Angeles, and in the prestigious downtown Los Angeles financial district.

Homeless people live on streets and sidewalks, under freeways, in parks and in their cars. Within communities there is increasing social tension between those who are homeless and those who are not.

Among the homeless, families with children are the most rapidly growing group and account for 30% of the homeless population. According to Shelter Partnership (1989), 35% of the population served by shelters in Los Angeles County are families with children. The sharp increase among this group is due in part to economic inequities for women, such as unequal pay and lack of alimony or child support payments. Another reason is the lack of shelters for battered women and children.

The Task Force on Family Diversity (1988) describes numerous developmental problems seen in homeless children. In addition, not having a permanent address bars many homeless children from school lunch programs despite their need for nutritious meals.

Another group that is growing within the homeless population is the chronic alcoholics and drug abusers. It is pointed out in an article titled "The Return of Skid Row" in the U. S. News and World Report, that although the number of drug abusers varied from one city to the next, national figures indicate that substance abuse now outstrips mental illness as the most serious health problem plaguing the urban homeless population.⁴³ The reason for the increase of this type of homelessness is the closing of

traditional types of housing where alcoholics could find shelter, forcing them onto the streets. The relaxation of laws dealing with public drinking and the availability of crack cocaine as an alternative to alcohol have also contributed.

For homeless people in Los Angeles, it is extremely difficult to obtain any type of temporary or permanent housing. According to Shelter Partnership (1989), Los Angeles County shelters operate at nearly 100% capacity and turn away approximately 1800 people daily. The 1990 Short Term Housing Directory of Shelter Partnership shows that of the 7,938 shelter beds in the County of Los Angeles, approximately 5,759 are in the City. The growing need for safe and humane shelters for between 63,000 and 100,000 homeless persons as estimated by the Shelter Partnership in their May 1992 study is unmet because funds are lacking and siting is problematic.

Shelter Partnership (1989) states that lack of operating funds is forcing shelters to cut back and close programs. Siting shelters is problematic due to community perceptions and opposition to housing the homeless in their neighborhood. This strongly suggests a need for community education about homelessness. Heightened community awareness is a useful tool for changing negative stereotypes. To gain community acceptance, community residents must first understand that the majority of homeless people are not alcoholics or drug addicts with no desire to join mainstream society.

The City has taken steps to encourage the development of homeless shelters. Prior to 1986 shelters were not classified in the Zoning Code and were therefore treated in

the same category as guest houses, hotels and dormitories, which required conditional use permits or variances.⁴⁴

In 1986 the city adopted two shelter ordinances that would facilitate the location of shelters within its boundaries. Ordinance 161,426 permits shelters with Zoning Administrator's approval in Medium density residential (R3) and manufacturing zoned (M1, M2, M3) areas. There is a flat fee of \$300 for the application and the public hearing may be waived if the Zoning Administrator finds that the project: (1) would not have a significant effect on adjoining properties or on the immediate neighborhood, or (2) was not likely to evoke public controversy. In addition, parking was reduced to 10% of the number required in the zone with a minimum of two parking spaces.

Ordinance 161,427 permits homeless shelters to be established in high density residential zones (R4 and R5) and commercial zones (C2, C4, C5, and CM) by right, i.e., not requiring a discretionary review. Parking is reduced to 25% of the number specified in the zone if the site is located within 1,000 feet of a transit stop, or 25% plus two spaces if the site is 1,000 feet or more from a transit stop.

In addition, the City Council in August 1987 approved the purchase of 102 mobile home trailers for use as transitional housing for homeless families. Families with children may reside in the units for up to six months with extensions on a case by case basis. Families pay a monthly fee of \$150 and are provided with case management services such as money management, counseling, apartment search assistance, outreach and recruitment at six of the seven sites

throughout the City. Since December 1987 to August 1992, the Mobile Home Transitional Housing Program has provided 322,537 shelter nights which represents 1860 individuals or 408 families.

In December 1989 the City adopted a policy for a new action plan for homeless programs in 1990. The plan was developed through the efforts of the City's Homeless Steering Committee and includes the coordination of specific needs of the homeless with available facilities and services. Among the goals of the 15 point plan, is the City's intention to continue to fund shelters with comprehensive homeless assistance programs as well as advocate for additional federal and state assistance to expand shelter capacity by 20% of the number of existing beds within two years. The plan also intends to continue the cold/wet weather program with the specific objective of preventing homeless persons from freezing during cold weather months.⁴⁵ Eleven shelter sites serving 1,336 persons have been identified for cold/wet weather program sites. (See Table 10.)

The Housing Authority of the City of Los Angeles, with the assistance of Shelter Partnership has an innovative program for homeless families which provides permanent housing combined with a case manager to assist in the provision of support services for participating families. The Section 8 Homeless Program (Program 29) is an effort to provide stability for homeless families by placing them in permanent housing while also providing social services so that the families can better provide for themselves and not revert to their former status. As of January 1992, 821 families have been issued Section 8 certificates or vouchers, with 780 of these families either contracting or

working towards having a case manager assigned.⁴⁶

In summary, while it may not be possible to reach consensus on the exact number of homeless people in the City of Los Angeles, inconclusive data should not detract from our recognition of the homeless problem or impede efforts to meet the needs of homeless people.

Homelessness is growing in almost all communities in Los Angeles. Solving the homeless problem requires more money for shelters and permanent low-income housing, as well as support services, such as: referrals to housing; job training and placement; counseling; referrals to child care and medical care and provision of household goods. Equally important, community attitudes and perceptions about homelessness need to be changed through increased community education and awareness.

Female-Headed Households

"From 1970 to 1988, the number of women rearing children alone in America more than doubled. In 1988, more than 8.15 million single women were rearing 13.5 million children compared with 1.2 million single fathers raising 1.8 million children." (U.S. Bureau of the Census, 1989a).⁴⁷

The Task Force on Family Diversity (1988) reported that homeless single parent households are often headed by a female less than 25 years old with 2 or 3 young children.⁴⁸ This reflects a national trend where a record twenty-five percent of teenagers in America are having babies in this decade (U.S. Census, 1989a).⁴⁹ Lack

of affordable housing has a very severe impact on these female heads of household and children.

1990 census statistics for the City of Los Angeles indicate that there are 104,320 female heads of household living with their own children; and 185,131 single female heads of household residing here.⁵⁰ A predominant number of female-headed households reside in the communities of South Central Los Angeles (13,859), Southeast Los Angeles (13,242), and West Adams-Baldwin Hills-Leimert (10,067), according to a report entitled "The Widening Divide" (Stewart, 1988b).⁵¹ According to this report, California has the worst rental affordability problem in the U.S., with a more severe shortage of low-priced units than any other state.⁵² Since 1970 there has been a twenty-five percent increase in the number of poor renter households paying 50% or more of their income in rent.

Female heads of household are at a significant disadvantage in obtaining affordable housing for themselves and minor children. The H.U.D. Fair Market rent for a two bedroom apartment in the City is \$804 per month, and the median rental rate is \$544 per month. However, a monthly welfare payment for a female with two children under the Aid to Families with Dependent Children Program is \$632. Very few female heads of household own their own homes.⁵³

The average household income for a female-headed household with children in this City is \$19,730. An affordable rent for this income group would be \$493 per month (30% of \$19,730 or \$5919 annually). If the median rental rate for the city is \$544, it can be concluded that the average female-

headed household cannot afford the average rent.

The housing need for this special needs group is also documented by the fact that 29,587 female heads of household receive Sec. 8 rental subsidy assistance in the City. This H.U.D. program subsidizes the balance of rent which is in excess of 30% of the renter's income. The certificate program enables the prospective tenant to take the subsidy to the private market for housing. Since June of 1986 the Section 8 Program has provided housing assistance payments to private landlords for 17,959 housing units. The State only provides 5500 new certificates each year, leaving a significant gap in service. According to the CHAS there were 60,000 names on the Section 8 waiting list in 1991 for the City of Los Angeles, indicating an extreme need.

To determine the total number of new units for female heads of household needed for the planning period (1989-1994), the total number of female heads of household (or 289,451) was calculated as a percent of the total citywide households (of 1,217,000) and then this percentage (24%) was multiplied by the regionally identified (RHNA) need of 129,000. This calculation results in an identified need of 30,960 new units.

Female heads of household form a large and growing segment of the homeless population due to extremely high housing costs. The homeless segment of the population represents approximately 8% of all female-headed households in Los Angeles (or 23,156 households). This figure translates into 2% of the total RHNA need of 129,000, or 2500 units.

The Shelter Partnership Directory of Short-Term Housing for Los Angeles County (1990) indicates that 60,000 families with children were provided with overnight accommodations from July 1990 to June 1991 (the number of female heads of household is not shown). The Shelter Partnership also indicates that 2,279 families with children (nightly); and 8,979 families with children (annually) need shelter. Although an identification survey has not been completed, it has been observed that most of these households are headed by a female. Since this population is unstably housed (moving in and out of shelters and apartments), it is impossible to precisely measure the unmet need.

It is also reported that many single parent homeless women have been searching for employment for some time.⁵⁴ Many of the jobs available to them pay minimum wage which does not cover the cost of housing and child care. According to a 1989 study by Paul Ong of UCLA, in 1986-87, women employed full-time, year round earned only 71% of men's earnings.⁵⁵ This is corroborated by the finding that in 1987, 43% of all female headed households with children lived in poverty.⁵⁶ Furthermore, the Task Force on Family Diversity (1988) reports that in a divorce, the standard of living of the wife and children decreases 73%. In contrast, the husband's standard of living increases 43%.⁵⁷

Female victims of domestic violence and their children have a critical need for transitional housing. The non-profit housing community in Los Angeles is currently providing 524 beds in the region to serve this need. Only 168 of these beds are

located within the city boundaries of Los Angeles.

Large Families

Large families (defined as households of 5 or more persons) encounter difficulty in locating adequately sized, affordable dwelling units in the City of Los Angeles. Large families comprise 16% of all households in the City according to the 1990 Census. Therefore it can be determined that 20,640 dwelling units (16% of the RHNA) would be needed for the 5-year planning period.

1. Household Size and Overcrowding

There are 737,537 occupied rental units and 479,868 owner-occupied units in the City, of which 270,957 (or 22%) are determined to be overcrowded. (Overcrowding is defined as 1.01 persons or more per room.)⁵⁸ Of these, 190,987 (or 15%) units are considered severely overcrowded (defined as more than 1.51 persons per room).

Statewide, the percentage of overcrowded units has increased from 7.4% in 1980 to 12.3% in 1990. This is an increase of 60% in 1980. Overcrowding is one indicator of a lack of units suitable for large families.⁵⁹

The increase in household size is documented by the following growth rates. According to the 1990 Census the population growth rate of 26% for the decade exceeded household formation rates of 18%, leading to an increase in household size for Southern California. The average household size for the City is 2.8 persons per dwelling unit. The average household size in Southern California rose from 2.72 persons per unit in 1980 to 2.91 in 1990, as

compared to the average household size in the nation which declined from 2.75 to 2.63 during the decade.⁶⁰

The 1990 Census on household size indicates greater numbers of persons per household than the citywide average of 2.8 for the communities of Boyle Heights (4.1), Northeast L.A. (3.3), Southeast L.A. (3.9), and South Central L.A. (3.3). The need to provide appropriately sized housing for large families in these communities is greater than other areas in the City based on this information.

The City Housing Authority conventional housing program provides some larger units (more than 2 bedrooms) to large families. Housing Authority-owned units include 94 zero-bedroom units; 2157 one-bedroom units; 4,435 two-bedroom units; 2,197 three-bedroom units, 594 four-bedroom units; and 205 five-bedroom units. As of September 1992, HACLA had 6,798 families on the waiting list for a 3-bedroom unit; 2,756 families waiting for a 4-bedroom unit; and 303 families waiting for a 5-bedroom unit.

2. Cost and Overpayment for Housing

According to 1990 Census statistics, median contract rent in Southern California increased 128% during the last decade from \$257 to \$586. The median rental rate in the City is \$544 per month, and the median cost of a single family house is \$244,506. The median household income for the City for 1989 was \$30,925.⁶¹ According to local realtors only 20% of the population in the City can afford to purchase a median priced house. According to the 1990 census, there are 1,222,354 households in the City, forty-five percent of which are low-income.

Fifty-two percent (or 291,115) of all low-income households in the City are paying over 30% of their income for housing.

3. DATA SUMMARY

According to SCAG, overpayment by income category and tenure type for 1990 for the City of Los Angeles is as follows:

<u>Income Group</u>	<u>No. of Households</u>
Very Low	268,999
Low	103,581

<u>Tenure Type</u>	<u>No. of Households</u>
Owners	50,190
Renters	322,327

There are 198,803 households in the City with 5 or more persons. Rents and purchase costs for large families are higher due to the need for larger quarters. The 1992 Fair Market monthly rental rate (as established by H.U.D. for their Section 8 program) for a 3-bedroom unit is \$1,005. In order for this to be considered affordable, household income would have to be approximately \$36,000 per year (or 86% of the 1992 median income of \$42,000). Therefore, more than forty percent of the households in the City could not afford the rent for a 3-bedroom unit of \$1,005.

4. Vacancy Rates

According to the Southern California Association of Governments, the rental vacancy rate for apartments renting at all rates in the City is 7.1%, and the vacancy rates for homes is 1.9%. The rental vacancy rate in the SCAG region for 1990 rose from 4.6 to 6.4 percent for single family homes,

indicating increased availability and reduced ability to pay. This may be linked to recent job losses in the region.⁶²

The availability of affordable units has not kept pace with population growth, another cause of overcrowding. The large numbers of families on the waiting list for public housing is another strong indicator of need.

Figure 10 shows the percent of households who pay more than 30 percent of their income for housing, by community plan area.

5. Recreational Needs of Large Families

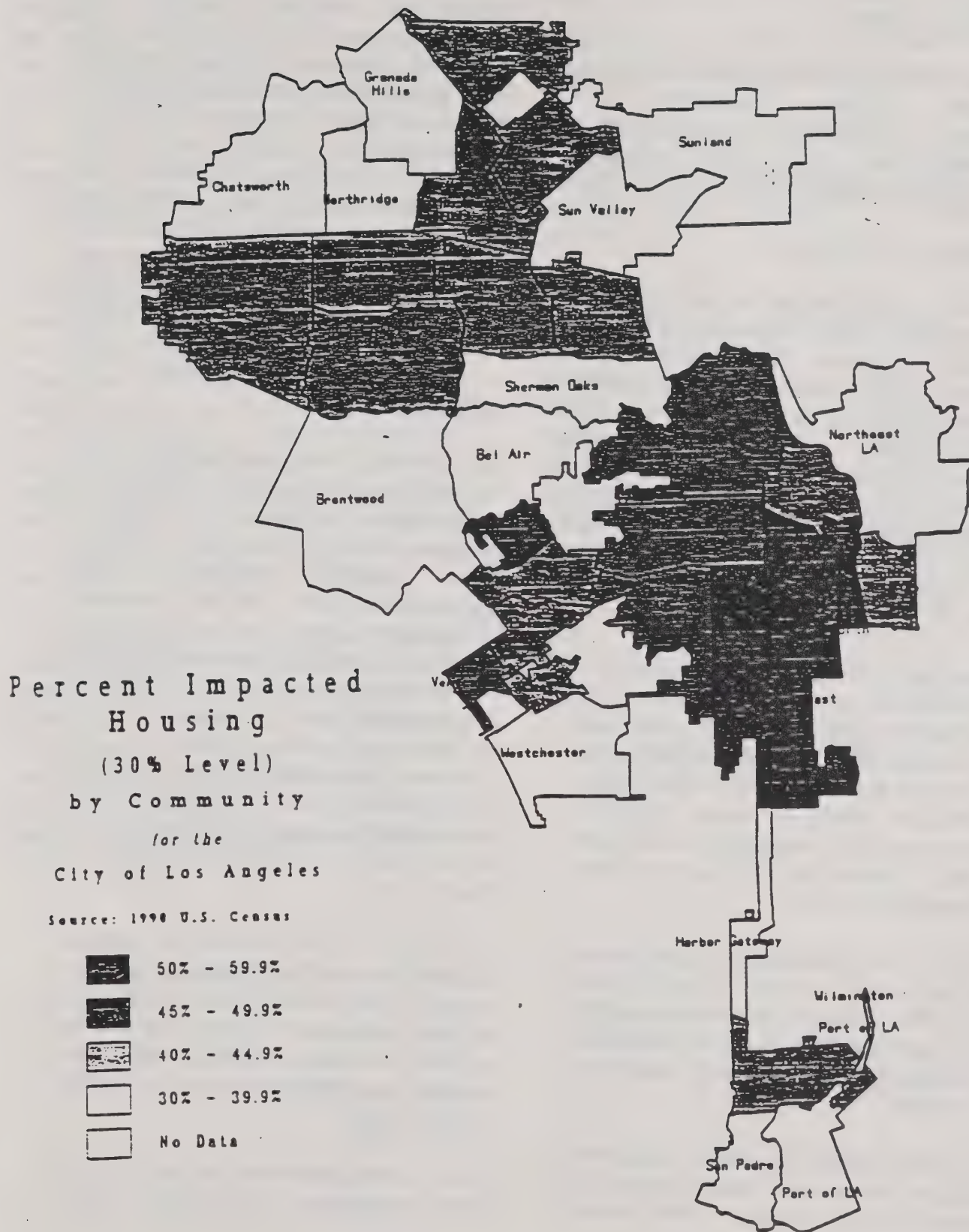
In addition to needing adequately sized shelter, large families in multi-unit housing have special needs for recreation areas and related amenities. Parks and amenities are also useful tools to inspire a sense of community and ensure compatibility of housing with the existing neighborhood.

Farmworkers

Section 65583(a) of the State Government Code requires the housing element to assess the needs of farmworkers. At one time, farming was a principal business in Los Angeles County. Today farms scarcely exist. Farmworkers represent a comparatively small segment of the total Citywide population.

In 1980, there was an estimated 2,956 farmworker households in Los Angeles. This was less than 1% of the total Citywide households. It is estimated that this number has remained constant between 1980 and 1990. Of the total farmworker households, 55% were classified as very low income and 35% were classified as low income⁶³. There were 2,660 households eligible for

Figure 10



assistance, 1,626 very low income and 1,035 low income⁶⁴.

Because farmworker data is insufficient, the Southern California Association of Governments incorporates the housing needs of farmworkers in the 1988 Regional Housing Needs Assessment (RHNA).

Persons Living With Aids

By 1990, 60,000 people in Los Angeles County have been diagnosed as HIV infected.⁶⁵ To date, over 5,000 of them have developed full-blown AIDS (Acquired Immune Deficiency Syndrome) and over 3,000 have died. While the majority of victims are men, the incidence of AIDS is growing among women and children especially among non-whites. Nearly 40 percent of the people living with AIDS in Los Angeles City and County are non-whites.⁶⁶

Among people living with AIDS there is a high incidence of multiple diagnoses, such as substance abuse, mental disorders, and other serious health problems, which may or may not be directly related to the disease. The housing needs of people with HIV disease vary greatly depending on the stage of the disease, other diagnoses and socioeconomic factors.

There is a severe shortage of housing which fully addresses the needs of people living with AIDS. This problem is exacerbated by public fears and misconceptions about how the disease is transmitted and people who are infected.⁶⁷

The housing needs of people living with AIDS can be met by implementation of a diverse range of programs. These include:

- 1) Short-term housing (shelter) care designed to specifically address the emergency needs of situational or chronically homeless persons living with AIDS;
- 2) longer-term residential care which provides referrals for permanent housing and financial assistance in the form of rent subsidies;
- 3) day care for persons with AIDS who require frequent medical and emotional support services that cannot easily be provided in their homes;
- 4) In-home care for persons who progress to end-stage AIDS or whose condition becomes chronically disabling over a long period of time. This is a cost-effective alternative to hospitalization.⁶⁸

Other alternative end-stage care for persons with AIDS may be available in the form of neighborhood hospices which involved placement of small (generally six beds or fewer), home-like facilities in local neighborhoods with trained volunteers serving as care givers, and congregate living health facilities (CLHF) in establishments of 7 to 50 residents which provide round-the-clock nursing care. There are 3 AIDS residential programs funded by the Community Development Department and 2 administered by the Community Redevelopment Agency. There are 109 hospice beds in the City and 147 in the County.

Although all of these facilities are designed to meet some of the special care needs of persons living with AIDS, many AIDS afflicted individuals also require specialized medical treatment, financial and social service (e.g., substance abuse and mental health) support.

Social service personnel working with the AIDS population have indicated that a

seriously neglected area in the discussion of residential facilities for people with AIDS is the concept of supportive transportation services which enable people with AIDS to get to clinic and doctor's appointments and to visit AIDS service agencies. Development of an ancillary transportation system is a key component of a comprehensive system of residential care.

It is estimated that at least 240 additional AIDS-specific short-term (shelter) beds are needed in Los Angeles County in 1992, along with 3,500 annual rent subsidy allowances; 500 new long-term, low-cost housing units to serve the County's AIDS-afflicted population; a 300-bed facility for long-term care for those AIDS victims with multiple diagnoses; a total of 150 CLHF beds throughout the County and creation of 100 specialized spaces in licensed family day care homes for children with HIV.⁶⁹

It is necessary to increase housing funds, expand program implementations and heighten public awareness about AIDS. Community education and neighborhood involvement in program planning and implementation is one way to foster community acceptance, a key issue if housing needs for this segment of the population are to be met.

Special Needs Summary

The following is a summary of the needs of the special need groups discussed above.

SUMMARY OF DWELLING UNITS NEEDED FOR SPECIAL NEEDS GROUPS

<u>Special Needs Group</u>	<u>Dwelling Units</u>
Female Headed Households	30,960
Elderly	12,900
Homeless	15,000*
Farmworkers	1,290
AIDS Afflicted	500**
Disabled: Mental/Dev/Phys	18,060
Large Families	20,640
Total	99,350

* Plus 35,000 shelter beds

** Plus 240 shelter beds

LAND FOR RESIDENTIAL DEVELOPMENT

One factor in ensuring an adequate supply of housing is making sure that there are sufficient parcels zoned for housing, especially for multiple-family dwellings (MFD's). Such higher density developments tend to be much more affordable than single-family dwellings (SFD's) in the same neighborhood since the land cost is spread among more dwelling units.

Zoning Capacity

This section analyzes the availability of parcels in the City of Los Angeles suitably zoned for the construction of both single and multiple dwellings, taking into consideration the effects on zoning capacity of certain regulatory constraints. The analysis is by sub-region. These are the geographic areas into which the city has been divided for preparation of Master Environmental Impact Reports, hence they are also known as MEIR areas. Please refer back to (Figure 1) for the map of the city.

The Current Situation

In April of 1990 there were 3,485,398 people in the City of Los Angeles (U.S. Census.) According to the LUPAMS file, an automated system based on County Assessor's records, there were 1,210,819 dwelling units in September, 1991. The LUPAMS file shows a total zoning capacity of 2,169,056 dwelling units which includes the existing 1,210,819 dwelling units and a potential additional 958,237 dwelling units in currently unused zoning capacity (see Table 13.)

Range of Capacity Figures

Available data reflect a range of potential additional residential dwelling units. Table 11 provides a complete overview. At the low end, (considering vacant sites only,) there is capacity for 138,280 units (see Table 12.) At the high end, considering both vacant and underdeveloped sites, and assuming 100% build-out and no constraints, development potential is 958,237 dwelling units (see Table 13.) When certain factors are applied to adjust for development constraints, a "realistic" capacity of 648,342 is derived (see Table 14.)

Vacant Sites Only:	138,280
Underdeveloped Sites:	819,957
Total Theoretical Capacity:	958,237
Total Realistic Capacity:	648,342

The General Plan and AB 283

During the 1980's, pursuant to State Law requirements, the City's zoning maps were made consistent with its General Plan. In almost all cases, the General Plan (developed during the 1960's and 1970's) called for lower densities than did the zoning (first mapped in 1946). Because the zoning code was so much older, and the General Plan had been developed more recently through a lengthy process involving much community input and public hearing, the Plan was deemed more relevant and valid.

Table 11

ZONING CAPACITY OVERVIEW IN DWELLING UNITS

Zones corresponding to very low,
low, and moderate income housing
(Over 54 dwelling units per acre)

Zones corresponding to "above
moderate income" housing
(Under 28 dwelling units per acre)

CITYWIDE ZONING CAPACITY TABLE	(a) Commer- cial 108 du/ac	(b) Higher Density Multiples R3,R4,R5 >54 du/ac	(c) Total Higher Density >54 du/ac (a)+(b)	(d) Lower Density Multiples R2,RD,etc. < 28 du/ac	(e) Single Family < 8 du/ac	(f) Total Lower Density < 28 du/ac (d)+(e)	(g) Total Capacity (c)+(f)
VACANT 12	51,617	58,444	110,061	10,189	18,030	28,219	138,280
UNDERDEVELOPED *	132,397	497,540	629,937	174,618	15,402	190,020	819,957
TOTAL AVAILABLE 13	184,014	555,984	739,998	184,807	33,432	218,239	958,237
+ EXISTING UNITS = TOT. CAPACITY	39,067 223,081	660,637 1,216,621	699,704 1,439,702	97,588 282,395	413,527 446,959	511,115 729,354	1,210,819 2,169,056
REALISTIC AVAIL. 14	36,435	435,416	471,851	144,731	31,760	176,491	648,342
RHNA 15			75,489			53,611	129,100
UTILIZATION 16			16.00%			30.38%	19.91%

Sources and Methodology

Tables 12 and 13: LA City Planning Department; Planning Research Section
Based on LUPAMS data (County Assessor's files.)
Maximum permitted densities in each zone were assumed.

Table 12 includes vacant sites only, residential and commercial.

* Underdeveloped figures are obtained by subtracting Table 12 from Table 13.

Table 13 includes both vacant and underdeveloped parcels.

Commercial capacity considers vacant or residentially used parcels only.

To derive Table 14, adjustment factors were applied to Table 13, as follows:

- 0.198 = Commercial: (.20 realistic buildout, .99 height etc.)
- 0.783 = Higher Mult: (.80 realistic buildout, .99 height etc, 1.009 Density Bonus, .98 ICO.)
- 0.783 = Lower Mult: (.80 realistic buildout, .99 height etc, 1.009 Density Bonus, .98 ICO.)
- 0.950 = Single Family: (.95 slope density.)

Table 15: Southern California Association of Governments (SCAG)

Table 16: Derived from Tables 14 and 15.

Table 12

VACANT LAND ZONING CAPACITY

UNADJUSTED AVAILABLE ZONING CAPACITY IN DWELLING UNITS, BY SUB-REGION

Zones corresponding to very low,
low, and moderate income housing
(Over 54 dwelling units per acre)

Zones corresponding to "above
moderate income" housing
(Under 28 dwelling units per acre)

SUB-REGION (MEIR AREA)	(a)	(b) Higher Density Multiples			(c) Total Higher Density	(d) Lower Density Multiples R2,RD,etc. < 28 du/ac	(e) Single Family <8 du/ac	(f) Total Lower Density (d)+(e)	(g) Total Vacant Land Capacity (c)+(f)
	Comml. 108 du/ac	R3 54 du/ac	R4 108 du/ac	R5 216 du/ac	(a+b)	< 28 du/ac	<8 du/ac	(d)+(e)	(c)+(f)
1 NE LA	7,519	5,966	7,533	0	21,018	1,226	5,276	6,502	27,520
2 SOUTH LA	11,024	3,369	3,848	0	18,241	556	103	659	18,900
3 METRO CTR	5,053	640	4,180	2,264	12,137	90	2,870	2,960	15,097
4 SW LA	3,813	1,385	1,304	5,000	11,502	211	454	665	12,167
5 CENTRAL	4,584	23	5,563	3,479	13,649	0	1	1	13,650
6 SW VALLEY	3,626	2,049	1,970	0	7,645	64	1,579	1,643	9,288
7 NE VALLEY	2,612	795	365	52	3,824	393	2,514	2,907	6,731
8 NW VALLEY	5,555	419	62	0	6,036	322	1,049	1,371	7,407
9 SE VALLEY	3,302	507	354	0	4,163	187	1,567	1,754	5,917
10 WEST LA	1,396	692	270	1,500	3,858	6,973	2,323	9,296	13,154
11 HARBOR	3,133	2,126	2,424	305	7,988	167	294	461	8,449
CITY TOTAL	51,617	17,971	27,873	12,600	110,061	10,189	18,030	28,219	138,280
Percent	37.33	13.00	20.16	9.11	79.59	7.37	13.04	20.41	100.00

Sources

LA City Planning Department; Planning Research Section
Based on LUPAMS data (County Assessor's files.)

Assumptions:

Includes only vacant parcels. (For both vacant and underdeveloped potential, see Table 13)

Shows maximum theoretical available (remaining unused) zoning capacity. For example, the R3 zone, capacity is calculated by multiplying the vacant acres by the maximum permitted capacity of 54 dwelling units per acre.

Does not reflect density restrictions imposed by Interim Control Ordinances (ICOs.)

Does not reflect density increases possible under the Density Bonus law.

Does not reflect General Plan, which may allow higher densities, but not lower.

Table 13

THEORETICAL ZONING CAPACITY

UNADJUSTED AVAILABLE ZONING CAPACITY IN DWELLING UNITS, BY SUB-REGION

Zones corresponding to very low,
low, and moderate income housing
(Over 54 dwelling units per acre)

Zones corresponding to "above
moderate income" housing
(Under 28 dwelling units per acre)

SUB-REGION (MEIR AREA)	(a) Comml. (vacant or in resid. use only) 108 du/ac	(b) Higher Density Multiples R3,R4,R5 >54 du/ac	(c) Total Higher Density >54 du/ac (a)+(b)	(d) Lower Density Multiples R2,RD,etc. < 28 du/ac	(e) Single Family < 8 du/ac	(f) Total Lower Density < 28 du/ac (d)+(e)	(g) Total Available Zoning Capacity (c)+(f)
1 NE LA	30,723	48,156	78,879	18,588	7,049	25,637	104,516
2 SOUTH LA	41,262	26,985	68,247	43,514	386	43,900	112,147
3 METRO CTR	24,008	154,391	178,399	35,387	2,672	38,059	216,458
4 SW LA	18,222	88,175	106,397	12,149	1,388	13,537	119,934
5 CENTRAL LA	11,967	58,347	70,314	0	0	0	70,314
6 SW VALLEY	11,240	58,435	69,675	13,492	1,837	15,329	85,004
7 NE VALLEY	14,217	11,383	25,600	16,384	4,544	20,928	46,528
8 NW VALLEY	11,040	18,944	29,984	11,555	7,402	18,957	48,941
9 SE VALLEY	7,087	23,662	30,749	5,585	6,231	11,816	42,565
10 WEST LA	3,936	47,101	51,037	5,885	1,519	7,404	58,441
11 HARBOR	10,312	20,405	30,717	22,268	404	22,672	53,389
CITYWIDE TOTAL	184,014	555,984	739,998	184,807	33,432	218,239	958,237

Sources

LA City Planning Department; Planning Research Section
Based on LUPAMS data (County Assessor's files.)

Assumptions:

Includes both vacant and underdeveloped parcels.

For commercial, considers capacity of vacant or residentially used parcels only.

Shows maximum theoretical available (remaining unused) zoning capacity.

Maximum permitted densities in each zone were assumed.

Does not reflect density restrictions imposed by Interim Control Ordinances (ICOs.)

Does not reflect density increases possible under the Density Bonus law.

Does not reflect General Plan, which may allow higher densities, but not lower.

Table 14

REALISTIC ZONING CAPACITY

ADJUSTED AVAILABLE ZONING CAPACITY IN DWELLING UNITS, BY SUB-REGION

SUB-REGION (MEIR AREA)	Zones corresponding to very low, low, and moderate income housing (Over 54 dwelling units per acre)			Zones corresponding to "above moderate income" housing (Under 28 dwelling units per acre)			Tot. Adjusted Capacity (c)+(f)
	(a) Comm. (vacant or in resid. use only) 108 du/ac	(b) Higher Density Multiples R3,R4,R5 >54 du/ac	(c) Total Higher Density >54 du/ac (a)+(b)	(d) Lower Density Multiples R2,RD,etc. < 28 du/ac	(e) Single Family < 8 du/ac	(f) Total Lower Density < 28 du/ac (d)+(e)	
1 NE LA	6,083	37,713	43,796	14,557	6,697	21,254	65,050
2 SOUTH LA	8,170	21,133	29,303	34,078	367	34,444	63,748
3 METRO CTR	4,754	120,911	125,664	27,713	2,538	30,252	155,916
4 SW LA	3,608	69,054	72,662	9,514	1,319	10,833	83,495
5 CENTRAL LA	2,369	45,694	48,064	0	0	0	48,064
6 SW VALLEY	2,226	45,763	47,989	10,566	1,745	12,311	60,300
7 NE VALLEY	2,815	8,915	11,730	12,831	4,317	17,148	28,877
8 NW VALLEY	2,186	14,836	17,022	9,049	7,032	16,081	33,103
9 SE VALLEY	1,403	18,531	19,934	4,374	5,919	10,293	30,227
10 WEST LA	779	36,887	37,666	4,609	1,443	6,052	43,718
11 HARBOR	2,042	15,980	18,022	17,439	384	17,823	35,845
CITYWIDE TOTAL	36,435	435,416	471,851	144,731	31,760	176,491	648,342

Source and Methodology:

Adjustment factors were applied to Table 13, as follows:

0.19800 = Commercial: (.20 realistic buildout, .99 height etc.)

0.78315 = Higher Mult: (.80 realistic buildout, .99 height etc, 1.009 Density Bonus, .98 ICO.)

0.78315 = Lower Mult: (.80 realistic buildout, .99 height etc, 1.009 Density Bonus, .98 ICO.)

0.95000 = Single Family: (.95 slope density.)

While it may not reflect the community needs of the 1990s, the General Plan is certainly more valid than the 1946 zoning code. The result of the General Plan/Zoning Consistency program, therefore, was to "roll back" zoning on many parcels, effectively reducing permitted densities throughout the city. A common roll back was from R3 zoning (which permits up to 54 dwelling units per net acre) to RD1.5 zoning (which permits up to 28 dwelling units per net acre). Thus for many parcels, the zoning capacity was cut in half, from 54 units per net acre to 28.

When the consistency effort was completed in 1992, the residential capacity was reduced from 2,800,000 dwelling units to 2,169,056 dwelling units. 958,237 dwelling units are available as unused additional capacity. The tables and analysis herein reflect the *post*-AB283 zoning capacity.

Difficulties in Calculating Current Capacity

It is important to note that the remaining zoning capacity of 958,237 is a *theoretical* number which is impacted by a number of factors, including regulatory constraints, market conditions and availability of suitable infrastructure. Calculating the "realistic" remaining zoning capacity in Los Angeles, or what realistically will be built in the next 5-years, is not easy. There are relatively few vacant parcels available for development. The city's single-family residential lots are nearly all built upon, although more are being created all the time through new subdivisions. Many of the multiple family-zoned districts are developed with small older houses, and it is difficult to predict when they will be torn down and the remaining zoning capacity used. Developers have the right to increase the zoning

capacity by 25% by Density Bonus if they are willing to provide affordable units. There are many difficult hillside building sites, and other areas where development is temporarily hindered or restricted by ICO's. In commercial zones, housing can legally be built, but office and retail are usually more profitable uses. Enterprising developers are constantly applying for zone changes and/or plan amendments to actually increase the zoning capacity of various parcels. And no one can predict the economic climate affecting housing supply and demand, general business health, job availability, construction costs and interest rates.

Capacity on Vacant Sites

Vacant land planned and zoned for residential development in the City of Los Angeles is scarce. Most new residential development on vacant land occurs as infill.

Existing vacant residential and commercial acreage in the City will accommodate a maximum of 138,280 dwelling units (Table 12.) According to LUPAMS data 690 acres of vacant land in the City are in the medium and high density multiple dwelling zones (R3, R4 and R5). Although these zones represent a small percentage of the City's vacant land inventory, its dwelling unit capacity is 42% (58,444 dwelling units) of the total available capacity on vacant land. Maximum permitted densities in these key zones are shown below.

Approximately 37 percent of the residential capacity on vacant land is on vacant commercial parcels.

Commercial zones allow the same density as the R4 zone:

Zone Maximum Dwelling Unit Density

R5	215 units per net acre
R4	108 units per net acre
C2	108 units per net acre
R3	54 units per net acre

Approximately 7 percent (10,189 dwelling units) of the dwelling unit capacity on vacant land is in the lower density multiple-family zones (primarily R2 and the RD zones such as RD1.5, RD2, RD3, etc.)

Zone Maximum Dwelling Unit Density

RD1.5	28 units per net acre
RD2	21 units per net acre
R2	16 units per net acre

The remaining 13 percent (18,030 dwelling units) is in the single-family classifications.

Zone Maximum Dwelling Unit Density

R1	8 unit per net acre
RS	6 units per net acre
RE11	4 units per net acre
RA	2 units per net acre
A1	1 units per net acre

There is vacant acreage with potential for residential development in all sub-regions of the City. Although the largest amount of vacant acreage is located in West Los Angeles (6,253 acres) and the Northeast Valley, higher density zone classifications would allow greater development in Northeast Los Angeles (27,520 dwelling units) South Los Angeles (18,900 dwelling units) and Metro Center (15,097 dwelling units).

Although the available capacity on vacant land (138,280) is adequate to accommodate

the RHNA of 129,100, the total zoning capacity of both vacant and underdeveloped parcels was used to generate "realistic" zoning capacity.

Capacity on Underdeveloped Sites

The potential to increase residential development is greatest on the underdeveloped parcels in the City.

The California State Department of Housing and Community Development has indicated that while it is appropriate for Housing Element inventories to emphasize vacant sites, it is also appropriate to include developed sites which are suitable for recycling or redevelopment to residential and/or higher density residential use during the time frame of the element.

The Los Angeles City Planning Department, Planning Research Section, based upon Los Angeles County LUPAMS data, has prepared a land use and zoning analysis which includes the *vacant* sites described above, and which identifies *underdeveloped* parcels in residential zones, and underdeveloped commercially zoned sites which are either vacant or currently in residential use. Once identified, the total available residential capacity number was adjusted to reflect Community Plan Revisions which have been approved through June 1992.

The net dwelling units that can be added by recycling underdeveloped sites (approximately 819,957) is substantially in excess of the number that can be built on vacant sites (138,280.) The total potential, not considering potential density bonus, is 958,237 units, and over half of this

potential, 555,984 units, is in the higher density multi-family zones, the R3, R4 and R5 zones.

Housing Potential on Commercially-Zoned Parcels

Current City Planning and Zoning Code regulations permit, and General Plan housing policies encourage, housing in commercial zones. Theoretically, housing can be built on any commercially zoned parcel. For example, it may be desirable in some strip commercial areas to replace marginal retail or service establishments with housing. This analysis, however, considers only vacant commercial parcels or those currently used for residential purposes. The assumption is that these are more likely to be developed residentially than parcels already in commercial use. Considering only these vacant and residentially-used parcels, there is (Post-Proposition U) capacity for 184,014 dwelling units. Table 13 reflects the entire potential of 184,014 units, even though only a small percentage of that potential, perhaps 20 to 25 percent, is likely to be developed residentially.

Proposition U's Effect on Housing in Commercial Zones

The Proposition U voter initiative declared that on all commercially and industrially zoned parcels, the floor area ratio (FAR) would be cut in half, from an FAR of 3 times the buildable area of the lot, down to 1.5 times the buildable area. This indirectly affected housing production since residential units are permitted in the commercial zones

(though not in industrial zones). Actually, Proposition U initially stimulated quite a few housing projects on commercial land, since in the confusion of its initial enforcement it was interpreted that while commercial FAR would be cut to 1.5 to 1, if the project were residential, it would enjoy the original FAR of 3 to 1. This has since been reinterpreted by the City Attorney so that any project on a commercially zoned parcel, whether commercial or residential, must comply with the 1.5 to 1 FAR requirement. In response to this, some developers have rezoned properties from commercial to R3, to regain the density advantage of 3 to 1, but this has happened in only a few instances. Since residential projects in commercial zones are allowed no greater density than commercial projects, and since commercial space generally commands higher rent than residential, there is usually little incentive to build residential projects on commercially zoned parcels. For these reasons, the "realistic" utilization of the remaining residential capacity in commercial zones is reckoned at only 36,435 dwelling units, or about 20 percent of the entire theoretical potential of 184,014 units. (Compare Tables 13 and 14.)

Subdivisions, Zone Changes, and Plan Amendments

A considerable amount of the new construction in Los Angeles is in new subdivisions, often on larger land holdings located at the fringe of urban development, including the Santa Monica Mountains, the Santa Susanna Mountains, the Verdugo Hills, and a few remaining agricultural areas in the northern San Fernando Valley. New subdivisions often consist entirely of single

family dwellings, but sometimes they contain some multiple-family dwellings as well. The figures herein do not include this subdivision potential, since such subdivisions occur only as the zoning is changed, usually from agricultural or low density residential to a higher residential density.

A significant number of residential projects are built after the developer obtains a zone change and/or General Plan amendment to increase permitted densities. In fact, all projects handled by the Planning Department are in this category. While, as in the case of subdivisions, this is not technically part of the existing zoning capacity, it shows that the development potential of the city tends to be flexible, expanding with market conditions and the changing character of neighborhoods.

Analysis of Possible Constraints on Zoning Capacity

Zoning Code

Zoning laws divide cities into districts (reflected on the zoning maps) and specify districts (set forth in the zoning code). The basic uses are agricultural, residential, commercial, and industrial. Zoning was first upheld by the U.S. Supreme Court in 1926, and since then the regulation of land uses for the public health, safety and welfare has generally been recognized as a valid exercise of a city's police power. The zoning code and map establish permitted uses and densities. The zoning laws are not a constraint on capacity; they establish capacity. The maximum permitted densities in the various zones were used to derive the

theoretical zoning capacity set forth in Table 13.

Building Code

Building codes specify minimum health and safety standards for dwelling units, including room sizes, openings for light and ventilation, safe electrical systems, sanitary plumbing facilities, etc. The building code does not affect permitted *densities*. Building regulations do, however, affect the *cost* of housing construction, but are deemed necessary to ensure safe and sanitary conditions.

Conditional Use Permits

Institutions, public facilities and other special uses are not usually permitted by zoning but are introduced through *conditional use permits*. Only special categories of housing that allow increased density require such permits (see section on Constraints.) Normal multi-family housing projects never require conditional use permits. Conditional Use rules therefore do not constrain zoning capacity.

Height Limitations

The Height *Districts* in Los Angeles are very liberal, allowing floor area ratios (FAR = allowable floor area as a multiplier of buildable lot area) as follows:

<u>Height District</u>	<u>FAR</u>
1	3 to 1
2	6 to 1
3	10 to 1
4	13 to 1

Even the lowest FAR of 3 to 1 is not a constraint on density for zones through R3, and all R4 and R5 zoning is in the higher Height District Categories. These original Height Districts therefore are not a constraint on residential zoning capacity. A small amount of land in the city, approximately 5 percent, has had lower Height Districts imposed, known as 1L, 1VL and 1XL. These are absolute height limits rather than FAR's, limiting height to 6 stories (Low), 3 stories (Very Low) and 2 stories (Extra Low), respectively. In many cases these limits do not prevent development of the full number of units allowed in the zone in which they are imposed. In other cases, such as a certain RD1.5-1XL area south of Wilshire in Westwood, it has had sufficient impact to bring development to a standstill. Overall, it is estimated that these superimposed lower height limits reduce effective residential density by 20 percent in the zones in which they are imposed. Because 5 percent of the land is affected by a 20 percent reduction, the net constraint on residential zoning capacity is not more than 1 percent (.05 x .20), and only in the multi-family and commercial zones.

The Slope Density Ordinance

This ordinance restricts development on certain hillside parcels, namely those planned for minimum density housing (requiring at least 1 acre lot size per dwelling) *and* having slopes exceeding 15 percent. Thus it affects only estate size lots in hillside areas. Its effect on housing zoning capacity is therefore minimal, 5 percent of the single-family capacity at the most, and its effect on affordable housing is

negligible. It has no effect on multi-family or commercially zoned property.

Density Bonus

Under state law, Los Angeles is required to grant a minimum density bonus of 25% and "an additional incentive" when applied for qualifying projects. (The city may grant more than 25%, at its discretion.) To qualify, 20% of the units must be reserved for lower income households, defined as those earning less than 80% of median family income for the Los Angeles area. In this case the rents cannot exceed 60 (sixty) percent of median family income. Alternatively, the developer may reserve 10% of the units for very low income households, those earning less than 50% of median. In this case, rents may not exceed 50% of median family income.

According to HPPD there have been 1,346 set-aside units for which covenants have been recorded under density bonus, in projects involving a total of 5,292 units, in the ten year period since the inception of the program in 1982. Inferring from this that the difference of 3,986 units would have been allowed by right, the average density bonus allowed was 1,346/3,986 or a *34 percent average increase in density for the projects involving density bonus.*

"By right" units	3,986
Density Bonus units	1,346
Total units	5,292
Avg. Density Bonus	34%

During the period 1980-1989, 148,980 dwelling units were constructed in the city. Assuming approximately the same number were constructed during 1982-1992, and that 1386 of them were density bonus set-aside units, density bonus increases *total* zoning capacity by 1,386/148,980 or .93 percent.

HPPD reports that density bonus applications have decreased significantly since the 1991 change in state law that made moderate income units ineligible and restricted the set-aside units to low and very low income.

Applications involving
Year Density Bonus units

1985	8
1986	25
1987	31
1988	24
1989	18
1990	7
1991	6
1992	2

In theory, the density bonus law increases the zoning capacity by 25% or more, however, in practice the density bonus process has increased zoning capacity by only .9 percent. Since it is only applicable in the multi-family residential zones, it does not affect the zoning capacity of single family or commercial zones. This .9 percent is reflected as a 1.009 adjustment factor in the appropriate zones in Table 14.

In applying the 1.009 adjustment factor, land costs and other differences between sub-regions that may affect frequency of density bonus applications were not taken into account. The factor was applied evenly throughout the city.

Interim Control Ordinances (ICOs)

ICO's (Interim Control Ordinances designed to restrict perceived inappropriate development in specific neighborhoods) are typically enacted for a year or two, and then extended as many times as necessary to allow for permanent regulations to be prepared and put in place. Of the 33 ICO's in force in August 1992, 8 involved density reductions. A very common density reduction was to require that in the R3 zone, there be 1200 square feet of lot area for each dwelling unit constructed, regardless of unit size. (The Zoning Code specifies a variable density in the R3 zone, with 1200 feet of lot area required if the units have more than three habitable rooms, 1000 feet if exactly three habitable rooms, and 800 feet if less than three habitable rooms). Where ICO's contain height restrictions, floor area may be indirectly constrained, which may limit either the number of units, or, more frequently, unit size.

The effect of the ICO density reduction provisions on housing production, therefore, is to reduce multiple family dwelling unit zoning capacity in certain neighborhoods by up to 33%, and to increase average per unit costs, since the per unit land cost is higher, and ordinarily the builder will construct larger units with higher price tags. It should be noted that not all ICO's call for reduced densities. The actual effect these have had on preserving and/or increasing affordable housing stock, however, is questionable. As a rough estimate, based on a visual inspection of a 1991 map displaying ICO's, those involving density restrictions affect no more than 3 percent of the parcels in the city. Since the maximum density reduction for the typical ICO is 33 percent, ICO's reduce total zoning capacity by no more

than 2 percent, and only in multi-family residential areas. A more rigorous analysis of the impact of ICO's is recommended in the next revision of the Housing Element.

Open Space and Parking Requirements

The direct effect of these regulations on residential zoning capacity is zero. Their effect on housing production and affordability, however, can be considerable, because of the added cost of meeting open space and parking standards.

The Mixed Use Ordinance

At least one regulation was recently adopted designed to *increase* housing production. Los Angeles adopted an ordinance in December 1991 that allows a density bonus of 100% for housing constructed in commercial zones, if 20% of the housing is set aside as affordable units. In other words, on a parcel where 30,000 square feet of commercial would normally be permitted, a builder may construct both the 30,000 square feet of commercial and an additional 30,000 square feet of residential. If the residential consisted of 30 units of 1000 square feet each, then 6 of those units would have to be set aside for low income tenants.

Because the ordinance is new, and the economic climate for building is depressed, no builder has applied under this ordinance, and the City has no experience by which to judge whether it will have its intended effect of stimulating mixed use. The ordinance permits side-by-side construction either on the same lot or on adjacent lots; the residential need not be above the

commercial. This facilitates construction, since different structural and fire safety ordinances apply to residential and commercial. It should also make financing easier, which has often been difficult to obtain for mixed use projects. But even in good times, the requirement for 20% low income set-aside may dampen builder enthusiasm for this option. Therefore, the Mixed Use Ordinance, by itself, cannot be counted on to stimulate any additional housing production. This ordinance is evaluated in program P-76 in this Housing Element.

Additional Discussion of Constraints

Please refer to Chapter IV ("Constraints") for more detailed discussion of some of the above factors that constrain the full utilization of the theoretical zoning capacity, as well as other constraints on housing production and preservation.

Anticipated "Realistic" Build-Out

Even if the economy and market demand were vigorous, the entire 958,237 units would never be built because thousands of different owners are involved, and not all elect to develop their properties to the highest permitted densities.

Based on the an HPPD analysis of newly constructed buildings during a single month (January 1992) in Los Angeles, a "realistic buildout" factor of 80 percent was obtained. What was measured was the number of units requested in the building permit application as a percentage of the zoning capacity, the latter being the maximum allowable zoning density multiplied by the parcel size. During that month 91 multiple family residential projects received building

permits. Parcel size was unavailable for some of the projects, and these were disregarded in the analysis since zoning capacity could not be calculated, as were certain other anomolous projects. 78 projects remained after disregarding the incomplete and anomolous data. These contained a total of 1,090 dwelling units, and were constructed on parcels with by-right zoning capacity of 1,361 dwelling units. 1,090 is 80.09 percent of 1,361.

Although derived from data on applications received for building permits during a very short period, and not representative of all sites in the city, the factor of *80 percent* is used as the expected "realistic" build-out of the zoning capacity of *multiple-family* residential zones in generating Table 14.

The realistic build-out in commercial zones is even less, based on historic development patterns in Los Angeles, and a conservative factor of *20 percent* was assigned. Note that this means 20 percent of the available capacity of only the *vacant or residentially used commercial* parcels.

(In *single-family zones no reduction factor* was applied, since it is assumed that if one constructs in a single-family zone, construction will consist of the maximum, that is one dwelling unit.)

Thus, "realistic buildout" factors of 80 percent for multi-family residential and 20 percent for commercial zoning capacity were applied to the theoretical zoning capacity, along with other minor adjustment factors to generate Table 14.

Geographic Analysis of Zoning Capacity

To get a detailed look at accommodating the RHNA in various areas of the city, a geographic analysis has been done. The city is broken down into 11 sub-regions, or Master Environmental Impact Report (MEIR) areas, as shown in Figure 1 on page 10. Tables 13 and 14 display, by sub-region, the city's residential zoning capacity, both total theoretical and realistic. The realistic capacity is then compared with the Regional Housing Assessment Need. The approach was to allocate the RHNA to the different areas (Table 15) and divide it by the realistic zoning capacity, which is essentially 80 percent of the theoretical capacity. This produces the bottom line of Table 16, which reveals which geographic areas may soon experience shortages in residential zoning capacity.

Theoretical and "Realistic" Capacity

Table 13, *Theoretical Zoning Capacity*, shows the unadjusted theoretical maximum zoning capacity, based on LUPAMS data. It reflects maximum remaining available zoning capacity on vacant and underdeveloped residential sites and on residentially used or vacant commercial parcels. Figures shown for each geographic area are actual, not allocated.

Table 14, *Realistic Zoning Capacity*, takes the data from Table 13, arranges it into two groups -- one for corresponding to "above moderate income" housing and the other to lower income housing -- and applies various *adjustment factors* to produce a realistic capacity projection.

Table 15

RHNA ALLOCATION

CITY'S 5-YEAR HOUSING GOALS, RHNA 89-94 ALLOCATED BY SUB-REGION

MEIR AREA (SUB-REGION)	Percent of City	Vy.Low Income <50%	Low Income 50-80%	Moderate Income 80-120%	Total Lower Incomes	Above Moderate >120%	TOTAL All Incomes
1 NE LA	7.96	1,577	2,452	1,981	6,010	4,268	10,279
2 SOUTH LA	6.63	1,314	2,044	1,651	5,008	3,557	8,565
3 METRO CTR	8.38	1,660	2,582	2,085	6,327	4,493	10,819
4 SW LA	8.34	1,652	2,570	2,076	6,299	4,473	10,772
5 CENTRAL	2.14	423	658	531	1,612	1,145	2,757
6 SW VALLEY	12.97	2,569	3,996	3,228	9,792	6,954	16,746
7 NE VALLEY	13.79	2,731	4,248	3,432	10,412	7,394	17,806
8 NW VALLEY	12.98	2,570	3,997	3,228	9,795	6,956	16,751
9 SE VALLEY	8.11	1,606	2,498	2,018	6,122	4,348	10,470
10 WEST LA	13.77	2,727	4,242	3,426	10,395	7,382	17,777
11 HARBOR	4.92	975	1,517	1,225	3,718	2,640	6,358
CITYWIDE	100.00	19,804	30,803	24,882	75,489	53,611	129,100

Sources:

"Percent of City" is based on relative size (acres) of MEIR areas.

Acres are derived from LA City Planning Department AB283 Database.

RHNA Citywide goals are set by SCAG.

Percentages shown are of regional median family income.

Methodology:

RHNA assigned by SCAG (bottom line of table) was allocated to the 11 sub-regions of the city proportional to the relative sizes of the sub-regions.

Assumption:

Allocation of RHNA does not take into account population size, existing housing mix, need for jobs-housing balance, locational differences in land costs, infrastructure availability, demographic factors, topography, or any other consideration besides acreage.

Table 16

ZONING CAPACITY UTILIZATION

COMPARISON OF RHNA 5-YEAR HOUSING NEED WITH REALISTIC AVAILABLE ZONING CAPACITY, IN DWELLING UNITS

SUB-REGION (MEIR AREA)	Lower income housing Higher density zoning			Higher income housing Lower density zoning			All income groups All densities of zoning		
	(a) Vy Low, Low, and Moderate Income Need	(b) Realistic Higher Density Zoning >54 du/ac	(c) Pcnt. of Higher Density Utilized (a)/(b)	(d) Above Moderate Income Housing Need	(e) Realistic Lower Density Zoning < 28 du/ac	(f) Pcnt. of Lower Density Utilized (d)/(e)	(g) Total Housing Need (a)+(d)	(h) Total Avail. Zoning Capacity (b)+(e)	(i) Pcnt. of Total Capacity Utilized (g)/(h)
1 NE LA	6,010	43,796	13.72	4,268	21,254	20.08	10,279	65,050	15.80
2 SOUTH LA	5,008	29,303	17.09	3,557	34,444	10.33	8,565	63,748	13.44
3 METRO CTR	6,327	125,664	5.03	4,493	30,252	14.85	10,819	155,916	6.94
4 SW LA	6,299	72,662	8.67	4,473	10,833	41.29	10,772	83,495	12.90
5 CENTRAL	1,612	48,064	3.35	1,145	0	999. +	2,757	48,064	5.74
6 SW VALLEY	9,792	47,989	20.40	6,954	12,311	56.49	16,746	60,300	27.77
7 NE VALLEY	10,412	11,730	88.77	7,394	17,148	43.12	17,806	28,877	61.66
8 NW VALLEY	9,795	17,022	57.54	6,956	16,081	43.26	16,751	33,103	50.60
9 SE VALLEY	6,122	19,934	30.71	4,348	10,293	42.24	10,470	30,227	34.64
10 WEST LA	10,395	37,666	27.60	7,382	6,052	121.98	17,777	43,718	40.66
11 HARBOR	3,718	18,022	20.63	2,640	17,823	14.81	6,358	35,845	17.74
CITYWIDE	75,489	471,851	16.00	53,611	176,491	30.38	129,100	648,342	19.91

Sources:

Housing need figures (columns a and d) are from Table 15

Realistic Available Zoning figures (columns b and e) are from Table 14

Adjustment Factors

Based on the foregoing discussions of factors affecting zoning capacity, the following adjustment factors were used in the various zone ranges, listed in the order in which they were presented in the text:

Factor	Hi		Lo	
	Com	MFD	MFD	SFD
Zoning Code	-	-	-	-
Building Code	-	-	-	-
Conditional Uses	-	-	-	-
Height Limits	.99	.99	.99	-
Slope Density	-	-	-	.95
Density Bonus	-	1.009	1.009	-
ICO's	-	.98	.98	-
Open Sp & Pkg	-	-	-	-
Mixed Use	-	-	-	-
"Realistic"	.20	.80	.80	-
Overall	.198	.786	.786	.950

A factor of .99 means a 1 percent reduction in capacity, 1.009 means a .93 percent increase, etc. The factors applicable to each zone category were multiplied together to yield an overall adjustment factor. For example, in the High Density Multiple Family category, the factors applied were: an 80 percent "realistic buildout" factor (20 percent reduction); a 99 percent height, open space, etc. factor (1 percent reduction); a 101.3 percent Density Bonus factor (.93 percent increase); and a 98 percent ICO factor (2 percent reduction.) Multiplied together they yield an overall adjustment factor of .786 or a 21.4 percent reduction. These factors are shown in the Table 14 footnotes.

RHNA Allocation

Table 15, *RHNA Allocation*, is a simple allocation of the SCAG assigned RHNA figures to the 11 sub-regions of the city based on relative sizes of the sub-regions. Other factors besides relative acreage, such as population size, existing housing mix, need for jobs-housing balance, locational differences in land costs, infrastructure availability, demography and topography were not considered.

Results

Table 16, *Zoning Capacity Utilization*, divides data from Table 15 by data from Table 14 to produce a comparison of the overall realistic capacity with regional housing needs. For example, column (a) is divided by column (b) to produce column (c). Column (c) thus represents the percent of the available dwelling unit capacity in lower density residential zones in each sub-region that would be utilized if all the RHNA allocated to that region were constructed. If the utilization figure is over 100 percent, the need exceeds the realistic capacity.

Conclusions of Geographic Analysis

Table 13, *Theoretical Zoning Capacity*, shows the highest zoning potential is in Metro Center, where there is available capacity for 216,458 dwelling units, with 154,391 in the R3, R4 and R5 zones alone. These zones account for well over half of the city's unused residential zoning capacity.

Table 14, *Realistic Zoning Capacity*, shows an across-the-board reduction in zoning capacity, compared to Table 13. In producing this "realistic" capacity, those

sub-regions with a high percentage of commercial zoning such as South Los Angeles were affected more than those with less commercial, such as West Los Angeles, since 80 percent of the commercial capacity was disregarded in producing the realistic capacity, while only about 20 percent of the residential capacity was disregarded.

Table 16, *Zoning Capacity Utilization*, is designed to highlight any zoning capacity inadequacies. If any figure exceeds 100 percent, there could be a shortfall. *In the all-important higher density zoning category, column (c) it may be seen that adequate capacity exists in all sub-areas.* However, construction of the RHNA in the North East Valley would utilize 88.5 percent of the available zoning capacity there, indicating a possible future problem area.

Column (f) which correlates to "above moderate income" housing shows apparent inadequacies, but they are not significant, since higher income housing can be accommodated in any zone. For example, in the Central City, where there is *no* available capacity in lower density zones, higher income housing may be built in higher density multiple family dwelling zones or commercial zones. Bunker Hill Towers is an example of such housing. Similarly, in the West Los Angeles sub-region, the utilization figure of 121.6 percent is not a real shortfall. The residential towers along the Wilshire Boulevard corridor in Westwood are an example of higher income, high density housing.

Column (i) shows that no sub-regions have inadequate zoning capacity if all income categories and all zones are combined.

On a citywide basis, (not proportioning out the need geographically,) adequate capacity exists in all categories, as seen on the bottom line.

The RHNA for lower income housing would utilize 15.94 percent of the available realistic higher density zoning capacity. For above moderate income housing it would utilize 30.28 percent of the lower density capacity. Aggregating these groups, the total RHNA of 129,100 would utilize 19.84 percent of the city's total realistic available zoning capacity of 648,342 dwelling units.

Although this analysis assumes that growth will occur based on land area as the only factor, and does not consider existing population or housing mix, infrastructure availability, or policy factors such as the need to balance jobs with housing, and the linkage of growth with planned centers and transportation systems, it does serve to show that adequate residential zoning capacity exists, and is fairly well distributed throughout all areas of the city.

Recommendation for Future Study

The most significant finding of this analysis is the near inadequacy of zoning capacity in the higher density zones in the North East Valley.

Increasing higher density capacity in the North East Valley sub-region should be considered in the next update of the affected Community Plans, including the Sylmar Community Plan, which is currently being revised.

Programs to Increase Zoning Capacity

While capacity is not seen as a crisis today, it could become one within the next four RHNA cycles (20 years), and planning for additional capacity should begin now, with the revision of the Community Plans, and other programs in this Element.

The City of Los Angeles is committed to providing adequate zoning capacity for housing for all income groups in all areas throughout the city. Strategic locations for new housing include proposed centers, transit stations, and transportation corridors, where access to a variety of commercial, recreational, educational and employment services is greatest. The General Plan Framework Program (Program 90) will identify specific locations for increasing housing.

Moreover, the General Plan Framework will provide specific policy direction for the updating of the Land Use Element of the General Plan, which consists of 35 Community and District Plans. The policy will pinpoint those areas of the city in which growth will be encouraged, and will link growth to the planned transportation system.

While it is not one of the Housing Element Programs, a related effort going on in the City is the development of the Integrated Land Use/Transit Policy. The first step will be planning around proposed rail and transit stations where eventual upzoning should create new opportunities for housing production. The City plans to pursue funding from the inter-modal Surface Transportation Efficiency Act for this purpose.

Mixed use development, a mix of housing and job-producing commercial uses in designated center study areas and adjacent to transit stations stops will be encouraged through the Framework program and by the Mixed Use Ordinance, which will be restudied under Program 76. Intermixing housing with commercial and office uses has many benefits including reducing vehicle trips, air pollution and congestion.

Adoption of a city Density Bonus ordinance is called for in Program 94. This will be in conformance with state Density Bonus law, and should provide additional incentives to stimulate production of affordable housing.

Another area of potential zoning capacity increase is on publicly-owned land (Program P-7.) There are approximately 2,400 parcels of land in public ownership in the city that are not in any specific use. City-owned land, especially city-owned parking lots, may offer potential for low-cost housing development.

Thus the principal programs which will address increasing the residential zoning capacity are: the rezoning recommendations of the General Plan Framework Program, the revision of the Community and District Plans, review of the Mixed Use Ordinance, enactment of a Density Bonus Ordinance, and attention to the housing potential on City-owned land.

The following Community Plans are presently under revision: Sylmar, Northeast, West Adams, Southeast, and South Central. In the analysis the city will review and consider increasing housing capacity where necessary to meet the long-term housing needs.

Zoning Capacity: Summary

The maximum theoretical additional unused residential zoning capacity is 958,237 dwelling units. The "realistic" additional capacity for residential use is 648,342 units. This is adequate to accommodate the current 5-year fair share RHNA of 129,100 dwelling units, and perhaps 4 additional RHNA cycles, since 5 cycles of 129,100 would be 645,000, which is approximately equal to the realistic capacity of 648,342 units. This would carry the city through the year 2014 (4 RHNA cycles or 20 additional years past 1994.) This does not include additional capacity which may be added by subdivisions, zone changes and General Plan Amendments. Unused capacity is distributed fairly evenly throughout the city, although the methodology used shows potential zoning capacity inadequacies in several sub-regions, such as a future need for higher density zoning for affordable housing in the North East Valley. Although the current and near-future RHNA can be accommodated, planning for additional capacity should begin now, by implementing the programs set forth in this Element.

ENERGY CONSERVATION

In California the cost of energy consumption is high. In 1985, only three other states in the continental United States had higher costs. California uses twice as much energy per person as industrial nations with similar standards of living. According to the California Energy Commission, California will consume about 20 percent more energy in 2005 than today.

In addition to required compliance with the Los Angeles Building Code and Title 24 of the California Administrative Code relating to energy conservation, the City of Los Angeles sets forth goals and policies which encourage water conservation, recycling, weatherization, drought resistant landscaping, passive solar design and other development and educational strategies which reduce residential energy costs and increasing utility costs which impact the affordability of housing.

The Energy/LA Action Plan

In May 1982, the City adopted the Energy/LA Action Plan, a comprehensive community energy management program. The plan aims to reduce energy consumption Citywide. It establishes four basic objectives:

1. Stabilizing energy costs in both the near and long terms.
2. Ensuring adequacy and reliability of energy supply.
3. Minimizing the environmental impact of energy use.

4. Maximizing the economic benefits of energy use (e.g. job opportunities).

In achieving these objectives, the Plan establishes 73 policies, priorities, and programs in new construction, existing buildings, city programs, industry, transportation, and alternative energy sources.

Jobs/Housing Balance

The Los Angeles City Council has adopted a Citywide General Plan Framework which represents the City's milestone attempt to establish policies which will shape the City's future development in ways that reduce air pollution and traffic congestion. The guiding policies of the Citywide General Plan Framework include: a) reduction in traffic congestion impacts and vehicle miles travelled; b) movement toward a balance in the amount and location of commercial and industrial development; c) stimulation of reinvestment in economically stagnant areas of the City; and d) increased housing development, particularly housing developments affordable to very low, low and moderate income households.

California Environmental Quality Act (CEQA)

To ensure that energy implications are considered in project determinations, the California Environmental Quality Act (CEQA) requires that environmental impact reports (EIR) discuss the potential energy impacts of proposed projects. Particular emphasis is placed on avoiding or reducing inefficient, wasteful and unnecessary consumption of energy. The City currently mandates CEQA review for any project that

creates or adds more than 35 dwelling units or guest rooms. Any potentially significant energy implications of a project are required to be considered in an EIR.

RZ Residential Zero Side Yard Zone

The City's Zoning Code establishes regulations for the provision of zero-foot side yard for single-family residential lots to allow for housing. This zone allows dwelling units to abut the property line on one side. The zone allows the construction of dwellings across not more than five contiguous lots, with no more than one dwelling unit on each lot. By placement of the building on the lot line, substantial energy savings occurs by reducing the total area of exterior walls.

California Administrative Code

As part of the plan approval process, the Department of Building and Safety requires an applicant to sign plans and calculations stating that the building design meets the requirements of Title 24, Part 2, Chapter 2-53 of the California Administrative Code. Chapter 2-53 establishes energy efficiency standards for buildings that are heated or mechanically cooled. It mandates that any new residential building shall have water heating system, ceiling, and wall insulation. It also sets standards for the installation of fireplaces, air conditioning equipment sizing, thermostats, and lighting.

Natural Gas Conservation

The Southern California Gas Company is the public utility that supplies Los Angeles with natural gas. In a commitment toward savings through conservation, the Gas

Company sponsors a number of conservation programs.

In 1983, the Southern California Gas Company implemented its Community Involvement Energy Programs (CIEP). This program was developed to achieve maximum participation in conservation programs by limited income, elderly and disabled customers. This allows income-eligible customers to receive the benefits of energy conservation without the hardship of making cash investments. A major component of the program involves training and utilization of local community agencies as installers or as post-installation inspectors. This aspect of the program supports low-income communities with new job opportunities and vocational training.

In 1990 CIEP was renamed the Direct Assistance Program (DAP) to better reflect the expanded services provided to customers. The weatherization program, available to limited income homeowners and renters, was enhanced to include an Energy Education component and a homeowner appliance repair and replacement program to eliminate inefficient, inoperative and potentially hazardous gas fired furnaces, water heaters and ranges.

It is the Gas Company's 1991 objective to weatherize 30,000 qualifying single and multifamily dwellings for homeowners and renters; to repair or replace 5,050 major appliances in owner-occupied single-family dwellings; and to provide energy education to 31,340 of the approximately 1.2 million households in the Company's service area which qualify as limited income.

Water and Power Conservation

The Department of Water and Power (DWP) has implemented a Residential Conservation Audit Program to promote efficient energy and water use both inside and outside the home. On request, a conservation representative visits the customer's home, evaluates water needs, and provides written recommendations to help reduce water and energy use. A residential loan program provides residential customers with low interest loans for purchase of water saving devices, equipment, and services.

The DWP has also distributed over 2 million conservation kits to its customers since 1977. These kits contain sample water saving devices that customers can install in their toilets and showers.

CHAPTER IV - CONSTRAINTS TO DEVELOPMENT

POTENTIAL AND ACTUAL GOVERNMENTAL CONSTRAINTS

The supply, distribution, and cost of housing in Los Angeles is affected by the City's land use regulations. State mandated requirements such as environmental impact reviews and building codes also affect the cost and nature of residential development. The shortage of affordable housing has been exacerbated by AB 283 program downzoning, time delays in the environmental review process, the increased use of moratoria and ICOs to regulate growth, demolition of seismically unsafe buildings, and the increased cost to develop in the City.

This section discusses the following governmental constraints on development: AB 283 program, environmental review, moratoria and interim control ordinances, rent control, seismic rehabilitation, processing and development fees, development standards, availability of financing for subsidized housing, construction costs, historic designations, and land division regulations.

AB 283 PROGRAM

The Zoning Consistency Program (AB283) had its origin in 1979 State legislation that required all California charter cities to make their zoning ordinances consistent with their General Plan by July 1, 1982. The City of Los Angeles predates its 35 Community Plans, which form the Land Use Element of the City's General Plan. In most cases, the Zoning Ordinance allowed greater density

than what was indicated in the Community Plans. Prior to the AB 283 program, the City's Zoning Ordinance allowed a potential population capacity of approximately 8,577,454 persons, whereas the General Plan projected a population capacity of approximately 4,017,200 persons. Consistency with Los Angeles' General Plan, therefore, implied a general reduction in Citywide development potential.

The City unsuccessfully challenged the constitutionality of the legislation. Consequently in 1982 the City began the process of rezoning some 200,000 inconsistent land parcels. As of this writing, consistency recommendations for parcels in all of the 35 Community Plans have been adopted by the City Council. The City has complied with AB283 and issued ordinances for each community or district plan area. There are a few subareas in Van Nuys and north of LAX which have not as yet been approved by the City Council.

The general result of the AB 283 program has been to reduce the overall development potential of land parcels in the City and the total population that the City can accommodate. Before the AB283 program was initiated, the dwelling unit capacity allowed for 3,022,717 dwelling units citywide.⁷⁰ With the completion of the AB 283 program, the dwelling unit capacity was reduced to 2,169,056 dwelling units Citywide.⁷¹ This is a reduction of 853,661 dwelling units or 28%. Because AB283 prohibited enactment of zoning which was inconsistent with the City's General Plan, in 1986, the Los Angeles City Council (under Ordinance No. 160,852) adopted the Periodic Plan Review (PPR) process. Under

this process, property owners can apply to the City for a plan amendment and concurrent zone change in instances where circumstances warrant. Since the inception of the PPR program in December 1990, 21% of the plan amendments involved residential land uses.

The vast majority of these PPR cases involved approval of up-zonings (i.e., RA (low density) to R3 (high density)). The approvals also include "added areas" which increase the size of the area receiving the new zoning designation.

ENVIRONMENTAL REVIEW

In compliance with State and local environmental law any proposed private or public development project must receive an environmental assessment by the City. A recent decision by the California Court of Appeals in a case involving a proposed high-rise office building in Westwood has required local discretionary review for commercial and residential projects that had previously been exempted from such review.

In Friends of Westwood Inc. v. City of Los Angeles, the Court found that not all building permits are ministerial in nature, but may involve a degree of discretionary judgement on the part of City officials that brings the action within CEQA's purview. In response to this ruling it is now City policy that any residential project that creates or adds over 35 dwelling units or guest rooms now requires environmental review. The 35-unit threshold triggering environmental review was established in order to enable more careful review of multiple-lot projects, since it is assumed that smaller projects would have reduced environmental impacts.

Since the Friends of Westwood decision in 1987, the City has required 135 EIR's for commercial and residential projects. Forty-eight of these were for residential projects. This represents 35% of all cases submitted since the Mayor's directive in June of 1987. There were 8 EIR's for residential projects in 1991 or 16% of the EIR cases submitted.

A requirement for an EIR sometimes causes the developer to revise or cancel the project. The time and costs involved for the developer are dependent upon the level of environmental clearance decision that the City renders. A categorical exemption can be issued "over the counter" for a fee of \$50 at the time of application submittal. If it is initially determined based on the size of the project that it might have significant environmental impact, the applicant must file an environmental assessment form (EAF.) The filing fee is \$590. After the EAF is reviewed and an Initial Study checklist is completed, an internal review committee (ESAC) meets within 2 weeks after filing and makes a recommendation to the Director of Planning as to the level of environmental review required. If a mitigated negative declaration or negative declaration is recommended, there is public notice and a 20-day public review period. If the Director requires a full EIR, the applicant must hire a consultant to prepare the document at a cost of up to \$100,000 depending on the size of the project. This document becomes the City's document and is subject to its review and revisions. Depending on the time it takes for the consultant to make revisions required by the City, this process may take up to 18 months. The fees and length of review time involved are viewed as constraints to development by developers. As a result of a recent independent audit by Paul Zucker,

the City has placed more emphasis on expediting EIR's by increasing staff and efficiency. This effort has considerably reduced the average length of review time with a doubling of the number of Final EIR's issued in fiscal years 1990-91 and 1991-92, as compared to prior years.

MORATORIA AND INTERIM CONTROL ORDINANCES (ICOs)

Both State law and Los Angeles Ordinances permit the City to adopt zoning ordinances and other regulations to implement its General Plan and its associated Community Plans, and to enact special procedures to resolve problems created by unforeseen consequences of zoning regulations. Among such planning tools are moratoria, ICOs, and specific plans. An Interim Control Ordinance (ICO) is an emergency measure which allows the City to impose temporary regulations on development until permanent regulations in the form of a specific plan or General Plan amendment are enacted. They are employed to ensure compatible development and protect the public health and safety of the community. Often moratoria have been adopted to delay inappropriate development while alternative zoning regulations or specific plans are studied or enacted. ICO's are necessary in this City because some of the 35 community and district plans are as much as 20 years old and need to be updated.

These tools have been used increasingly in Los Angeles over the past 15 years to resolve problems related to consistency issues, and to the serial nature of Community Plan preparation, adoption and revision.

More recently and in light of a 1987 ruling by the U.S. Supreme Court in *First*

Lutheran Church v. County of Los Angeles, ICOs have been used instead of moratoria as a prelude to preparation of an alternative zoning ordinance or a specific plan. In many instances, City actions to initiate changes through moratoria and ICOs have been triggered by concerns associated with proposed multi-family housing projects. In almost every instance these City actions have meant changes in the procedures or rules for developing multi-family projects. Moratoria enacted by the City in recent years frequently involve multi-family residential projects or areas experiencing growth pressures from multi-family housing.

As of September 1992, the Planning Department has in place 33 Interim Control Ordinances (ICO's) and 2 Interim Plan Revision Ordinances (IPRO's) in 20 community plan and district plan areas. Another 6 citywide ordinances address uncontrolled development and its negative aspects such as traffic congestion and loss of affordable housing.

The various ICO's have a mixed effect on housing production, depending on their content. Certain ICO's have been established specifically to prevent or delay the loss of affordable housing which was occurring as a result of residential market rate development. The Koreatown ICO and 2 Single Room Occupancy Hotel ICO's prohibit demolition of affordable housing without City review. The Single Room Occupancy Hotel (SRO) ICO for the Central City community plan area and the citywide SRO ordinance established a moratorium on the demolition of SRO hotels to preserve affordable housing for the homeless population. Prior to any demolition actions a hardship exemption must be issued by the City Council. The requirement for

demolition permits and hardship exemptions have proven to be effective in conserving affordable housing.

There are currently 8 ICO's in the City which limit development density. They are as follows:

- Foothill Blvd. ICO (#165,670);
- Highland Park ICO (#164,675);
- Pacific Ave. ICO (#166,902);
- San Pedro Residential ICO (#167,450);
- Sherman Oaks Hts. ICO (#167,524);
- Sylmar-Arleta Pacoima ICO (#167,140);
- Valley Village ICO (#167,065);
- Reseda CBD ICO (#166,901).

The Foothill Boulevard ICO (#165,670), which is approximately 2.5 square miles in area, limits building height to 30 feet. The Pacific Ave. ICO (#166,902), which is approximately .25 square mile in area has no height restrictions, but Proposition U (1.5 to 1 FAR) would apply to residential development in commercial zones. Mixed use is encouraged in this ICO area. There is also a density limitation allowing only one dwelling unit per 1000 square feet of lot area.

The Highland Park ICO area is approximately 2.5 square miles in size. The ordinance requires that proposed development be consistent with the scale and character of the ICO area and therefore tends to reduce density slightly.

The Sherman Oaks Transitional Height ICO (#167,524) which is approximately 4 square miles in area has a transitional height restriction for apartment buildings adjacent to single family residences. This ICO requires that proposed developments be consistent with the predominant density,

intensity, and height of buildings in the same vicinity. The transitional height restrictions, which range from 30 to 45 feet depending on the distance from single family structures, would have a marginal impact on density.

The size of the following ICO areas have also been estimated: San Pedro Residential - .50 square mile; Sylmar Arleta-Pacoima - .75 square mile; Valley Village - 1 square mile; Reseda CBD - .75 square mile.

The San Pedro ICO (#167,450) limits proposed multifamily development to RD2 zoning requirements for development on lots of 6000 square feet; or to RD1.5 restrictions if the area is less than 6000 square feet. The ICO'S for Reseda Central Business (#166,901) and Valley Village (#167,065) have yet to be adopted. ICO No. 167,140 for Sylmar-Arleta Pacoima requires that any multifamily development adhere to RD2 zoning restrictions (one unit per 2000 square feet of area).

ICO's cover approximately 12.25 square miles or 2.6% of the total area of the City (465 square miles). The number of dwelling units which are developed or not developed depends on the size and nature of development proposals and final approvals which cannot be estimated at this time.

SPECIFIC PLANS

A specific plan is a permanent tool to regulate development in a certain area of the city. The following discussion identifies the regulatory features of each specific plan in the City and identifies whether or not it acts as a constraint to housing development.

Lengthy preparation time for specific plans may act as an initial housing development constraint during the approximate 2-year preparation period if developers choose to wait for its adoption rather than build according to the "by right" density or ICO requirements in force at that time.

Approximately one-half of the City's specific plans address affordable housing needs by offering incentives for more affordable housing.

The Central City West Specific Plan is designed to provide for a certain portion of affordable housing through replacement of lost housing. There will be 10,200 new housing units developed in Central City West, of which 5300 are set aside for low and very low income households. The Porter Ranch Specific Plan calls for 2 multifamily subareas providing for 600 units of low and moderate income housing.

Affordable housing is exempted from the density limits in the Ventura Blvd. and Central City West specific plans. Housing production is further encouraged in the Porter Ranch and Central City West Plans which both have requirements for construction of a certain number of below market units before certain development phases can proceed. A specific plan for a large residential community in Playa Vista is in the preliminary stages and includes affordable housing provisions.

Central City West has imposed a housing linkage fee for commercial projects at \$4.20 per square foot of development which is paid into a housing fund. Other specific plans with affordable housing requirements include Century City South, Girard Tract, North University Park, North Westwood

Village, Oxford Triangle, Westwood, Hollywoodland, Mt. Washington/Glassel Park, Reseda (CBD), and Valley Village.

The Oxford Triangle Specific Plan (Ordinance #162,509) grants 25% density bonuses to developers who agree to provide units to low and moderate-income families; and density bonuses of 10% when housing for the elderly is provided. (This is above and beyond that allowed by State law.)

The Century City South Specific Plan (Ordinance No. 156,121) encourages affordable housing but does not offer specific incentives or mechanisms to achieve that goal.

The North Westwood Village Specific Plan encourages the provision of affordable housing for university students and faculty with a provision for a 25% density allowance, but this has not been effective in providing affordable housing due to market conditions in Westwood Village, a very desirable area. The Westwood Village Specific Plan (Ordinance No. 164,305) which addresses commercial development does not have a provision for affordable housing. It restricts building heights, encourages historic preservation, and addresses commercial and retail uses for the university community. Residential density is limited to one dwelling unit per 800 square feet of lot area. While this specific plan does not have a specific provision for affordable housing, high density is permitted as well as mixed uses. The Westwood Community Specific Plan (Ordinance No. 163,203) addresses architectural design issues for multifamily residential development. It does not address residential building density or offer affordable housing provisions. The Wilshire-Westwood

Specific Plan (Ordinance No. 155,044) limits building heights and hotel development. Residential development density is governed by the restrictions of the R5 zone (or no more than 100 dwelling units per acre).

The Hollywoodland Specific Plan was established to preserve a single-family neighborhood of unique, historic homes and does not offer affordability incentives. The Mt. Washington/Glassell Park Specific Plan limits multifamily building height to 45 feet and has a requirement for a minimum of 100 square feet of open space. The Sylmar Arleta-Pacoima Specific Plan reduces the number of acres designated for Low Medium II and Medium (multiple residential). It restricts Low Medium II residential development to no greater than the density allowed by the RD2 zone.

In conclusion, it can be seen that specific plans for Central City West, Porter Ranch, and the proposed Playa Vista plan include affordable housing incentives among others, and will result in substantial housing development. Other specific plans such as the Sylmar Arleta-Pacoima Specific Plan reduce somewhat the allowable density and can be seen to act as a minimal constraint to housing development.

PROGRAM 101 - SLOPE DENSITY ORDINANCE

The Slope Density Ordinance was enacted to protect public safety, limit soil erosion, and ensure adequate traffic circulation and fire access on steep hillsides. Residential property located in a hillside zone with an average slope greater than 15% which is designated as Minimum density (Plan land use category with corresponding zones of

A1, A2, & RE40) falls under the slope density ordinance in certain Community and District plans. Zone A1 allows development of one unit per 2 1/2 acres; Zone A2 allows one unit per one acre; and RE40 allows one unit per 40,000 square feet. The slope density ordinance reduces allowable development density on hillsides.

It is the purpose of Program 101 to extend the slope density requirement for Minimum Plan designated hillside areas to all community plans where appropriate. Application of the slope density ordinance would reduce density by a negligible amount and increase public safety in hillside areas which is considered a reasonable trade-off.

The slope density ordinance does not apply to high density multifamily zones such as R3 (Medium plan designation) which are generally selected by developers for low-cost subsidized housing. Medium density zoning (R3) allows for the development of 24 to 40 dwelling units per acre.

PROGRAM 71 - HILLSIDE ORDINANCE

The goal of this program is to establish uniform standards for height, bulk, setback, and lot coverage in hillside areas for public safety purposes. A hillside ordinance to achieve this has been approved by the City Council. Although this ordinance does limit the size of the dwelling it does not impact density. Therefore this program is not seen as a constraint to housing development.

DEVELOPMENT STANDARDS

The following analysis of development standards evaluates their potential to act as constraints on housing development in the City. The City of Los Angeles development

standards relating to setbacks and height limitations are outlined in the City Planning and Zoning Code and are comparable to those of surrounding cities. Yard setbacks and building height limitations have been established to maintain public health and safety and are enforced by the City Department of Building and Safety. Yard setbacks and building height limitations are a density constraint as they marginally limit development.

Table 17 entitled "Residential Zoning Standards" (beginning on the third page following this discussion) summarizes the type of residential uses permitted, minimum lot areas, required yard setbacks, maximum building heights, required parking spaces, and residential densities for each zone. Multifamily housing is allowed by right in the following residential, commercial, and industrial zones: RMP; RW2; R2; RD1.5; RD2; RD3; RD4; RD5; RD6; R3; R4; R5; CR; C1; C1.5; C2; C4; C5; CM; MR1; MR2; and M1. Multifamily housing which is allowed in commercial zones (CR, C1, C1.5, C2, C4, C5, CM) must adhere to the standards of the R4 zone.

The RMP Zone allows development of residential mobile home parks to encourage the provision of affordable housing by permitting both the retention and expansion of existing, as well as the establishment of new mobile home parks. Single family dwellings are also allowed in this zone.

A variance procedure from any zoning regulation is available where hardship can be demonstrated and does not require City Planning Commission approval.

Conditional use permits, which must be approved by the Zoning Administrator or City Planning Commission, are required only where the proposed use is not

specifically (or by hierarchy) allowed within the zone. Conditional uses are never required for ordinary residential uses because this City uses "hierarchical" zoning which allows residential uses by right in all less restrictive zones except manufacturing. Unusual residential uses requiring conditional use permits include the following. The City allows accessory units termed "granny flats" under a Zoning Administrator granted conditional use permit procedure, but requests for approval have been negligible. A Zoning Administrator conditional use permit is also required for homeless shelters in R3, M1, M2 and M3 zones, but is allowed "by right" in other less restrictive zones such as R4, R5, C2, C4, C5, and CM. Mixed residential and commercial use is allowed in commercial zones by conditional use under a 1991 ordinance, provided 20% of the residential units are affordable. No use has yet been made of this option.

Parking Requirements

General parking requirements for the City are outlined in Section 12.21 (general provisions) of the Planning and Zoning Code. The number of parking spaces is determined by the number of dwelling units and their size. Two parking spaces are required for a single-family dwelling. At least one parking space is required for a dwelling of less than 3 habitable rooms (or a one-bedroom unit), one and one-half spaces for a dwelling unit with 3 habitable rooms; and 2 parking spaces for dwelling units of more than 3 habitable rooms (larger than one bedroom). Reduced parking may be allowed for senior citizen housing projects under the City Planning and Zoning Code, Section 12.24 C1.1(g) for conditional uses.

Guest Parking Requirements

Some Specific Plans and Interim Control Ordinances have requirements for guest parking, but no guest parking is required by the City under the Planning and Zoning Code. Guest parking is added as a standard condition to subdivisions (condominiums) at the rate of 1/2 space per unit; and 1/4 space per rental dwelling unit.

These parking requirements could act as a constraint to affordable housing development due to cost which increases significantly if parking has to be provided below grade or in an above grade parking structure. It is estimated that the cost of providing underground parking is \$30 per square foot versus \$2.50 per square foot for at grade parking.

Open Space

The City requires that a minimum of 100 square feet of on-site useable open space be provided for each dwelling unit in projects having over 6 units. A study prepared by Jay Natelson of Natelson, Levander and Whitney, which was requested by the Planning Commission, did not demonstrate that this requirement was a constraint to affordable housing development.⁷² On the other hand, the open space requirement can be seen as a constraint to affordable housing development when the number of units which could be developed on the property is reduced. Development standards of surrounding cities also include requirements for open space.

Permit Processing Procedures

Timelines for permit processing and public review are governed by State and local laws. Lengthy review periods can act as constraints to housing development by increasing the total finance charges to developers with outstanding loans. Typical city fees include \$3314 for a zone change; \$2810 for a conditional use (commission); and \$3680 for a use variance. Applications for zone changes, zone variances, parcel maps, subdivisions, and conditional use permits must receive an environmental review decision before filing. If a proposed project receives a categorical exemption, negative declaration, or mitigated negative declaration, the review period averages 3 months. If an environmental impact report is required, the total preparation and review period may take up to 18 months and the applicant may need to hire a consultant to prepare the EIR which can be costly depending on the size and complexity of the project. If a project applicant cannot furnish a completed EIR to the City in a timely manner to enable the City to comply with the State's one year limit for EIR completion, the City suspends the case.

The following city actions must be completed within the following time periods by the City for various zoning administrator (Z.A.) or City Planning Commission (C.P.C.) actions:

- zone changes - 75 days (C.P.C.)
- zone variances - 75 days (Z.A.)
- parcel map - 30 days
- subdivisions - 50 days
- conditional use permit - 75 days (CPC & Z.A.)

TABLE 17
Residential Zoning Standards

ZONE	RESIDENTIAL USES PERMITTED	MINIMUM LOT AREA	REQUIRED YARD SETBACKS			MAXIMUM BUILDING HEIGHT*	MAXIMUM PARKING	RESIDENTIAL DENSITY
			Front	Side	Rear			
A1	single-family	5 acres		25 ft. maximum 10% lot width		FAR 3:1 or 45 ft.	2 spaces/d.u.	1 d.u./2½ acres
			20% lot depth	3 Ft. minimum	25% lot depth			
			25 Ft. max.		25 ft. max.			
A2	single-family	2 acres		same as above		same as above	same as above	1 d.u./1 acre
RA	single-family	17,500 s.f.	same as above	10 ft.- plus 1 ft.- 3 stories- less than 70 ft. width 10% lot width 3 ft. min.	same as above	same as above	2 covered spaces	1 d.u./17,500 s.f.
RE40	single-family	40,000 s.f.	20% lot depth	10 ft. min. plus 1 ft.- 3 stories	25% lot depth	same as above	same as above	1 d.u./40,000 s.f.
RE20	single-family	20,000 s.f.		same as above		same as above	same as above	1 d.u./20,000 s.f.
RE15	single-family	15,000 s.f.	25 ft. max.	10 ft. max. 10% lot width 5 ft. min.- plus 1 ft. 3 stories	25 ft. max.	same as above	same as above	1 d.u./15,000 s.f.

ZONE	RESIDENTIAL USES PERMITTED	MINIMUM LOT AREA	REQUIRED YARD SETBACKS			MAXIMUM BUILDING HEIGHT*	MAXIMUM PARKING	RESIDENTIAL DENSITY
			Front	Side	Rear			
RE11	single-family	11,000 s.f.	same as above	5 ft., less than 50 ft. width 3 ft. min.	same as above	same as above	2 covered spaces	1 d.u./11,000 s.f.
RE9	single-family	9,000 s.f.		same as above		same as above	same as above	1 d.u./9,000 s.f.
RS	single-family	7,500 s.f.	20% lot depth 25 ft. max.	5 ft., less than 50 ft. 10% lot width 3 ft. minimum	20 ft. min.	same as above	same as above	1 d.u./7,500 s.f.
R1	single-family	5,000 s.f.	20% lot depth 20 ft. max.	Plus 1 ft. 3 stories	15 ft. min.	same as above	same as above	1 d.u./5,000 s.f.
RU	single-family	3,500 s.f.	10 ft.	3 ft.	10 ft.	30 ft.	same as above	1 d.u./3,500 s.f.
RZ2.5	same as above Zero Side Yard	2,500 s.f.	10 ft. min.	None(3) or 3 ft. plus 1 ft.-3 stories	None(3) or 15 ft.	45 ft.	same as above	1 d.u./2,500 s.f.
RZ3	single-family (not more than 5 lots across)	3,000 s.f.		same as above		45 ft.	same as above	1 d.u./3,000 s.f.
RZ4	Attached housing	4,000 s.f.		same as above		45 ft.	same as above	1 d.u./4,000 s.f.

ZONE	RESIDENTIAL USES PERMITTED	MINIMUM LOT AREA	REQUIRED YARD SETBACKS			MAXIMUM BUILDING HEIGHT*	MAXIMUM PARKING	RESIDENTIAL DENSITY
			Front	Side	Rear			
RW1	single- family (on waterway)	2,300 s.f.	10 ft. min.	10% width 3 ft. minimum	15 ft. min.	30 ft.	same as above	1 d.u./2,300 s.f.
RW2	two-family residential waterways	2,300 s.f.	10 ft. min.	10% lot width 3 ft. minimum plus 1 ft. each story over 2nd (4)	15 ft. min.	45 ft.	same as above	2 d.u./2,300 s.f.
R2	two-family dwellings	5,000 s.f.	20% lot depth 20 ft. max.	5 ft., less than 50 ft. 10% lot width 3 ft. min. plus 1 ft. 3 stories	15 ft. min.	45 ft.	two spaces (one covered)	2 d.u./5,000 s.f.
RD1.5	multiple dwellings	5,000 s.f.	15 ft.	5 ft., less than 50 ft. 10% lot width 3 ft. min. plus 1 ft. each story over 2, 16 ft. max.	15 ft.	45 ft.	one space each dwelling unit of less than three rooms, one and one-half spaces each dwelling unit of three rooms, two spaces each dwelling of more than three rooms, one space each guest room (first thirty)	1 d.u./1,500 s.f.
RD2	multiple dwellings	5,000 s.f.		same as above		45 ft.	same as above	1 d.u./2,000 s.f.

ZONE	RESIDENTIAL USES PERMITTED	MINIMUM LOT AREA	REQUIRED YARD SETBACKS			MAXIMUM BUILDING HEIGHT*	MAXIMUM PARKING	RESIDENTIAL DENSITY
			Front	Side	Rear			
RD3	multiple dwellings	6,000 s.f.		same as above		Height District Nos. 2, 3, or 4 6 stories or 75 ft.	same as above	1 d.u./3,000 s.f.
RD4	multiple dwellings	8,000 s.f.		5 ft. or 10% lot width 10 ft. max.		same as above	same as above	1 d.u./4,000 s.f.
RD5	multiple dwellings	10,000 s.f.	20 ft. min.	10 ft.	25 ft. min.	45 ft.	same as above	1 d.u./5,000 s.f.
RD6	same as above	12,000 s.f.		same as above		same as above	same as above	1 d.u./6,000 s.f.
RMP	mobile home park and single-family	20,000 s.f.	for one-family dwellings			45 ft.	two covered spaces per dwelling unit	1 d.u./20,000 s.f. or 1 mobile home park/20,000 s.f.
			20% lot depth or 25 ft.	10 ft.	25% lot depth or 25 ft.			
			Determined by the State for mobile home parks					
R3	multiple residential	5,000 s.f.		5 ft., less than 50 ft. 10% lot width 3 ft. min. plus 1 ft. each story above 2nd, 16 ft. max.	15 ft. min.	Height District Nos. 2, 3, or 4 6 stories or 75 ft.	one space each dwelling unit of less than three rooms, one and one-half spaces each dwelling unit of three rooms, two spaces each dwelling of more than three rooms	800-1,200 s.f. per dwelling unit

ZONE	RESIDENTIAL USES PERMITTED	MINIMUM LOT AREA	REQUIRED YARD SETBACKS			MAXIMUM BUILDING HEIGHT*	MAXIMUM PARKING	RESIDENTIAL DENSITY
			<u>Front</u>	<u>Side</u>	<u>Rear</u>			
R4	multiple residential	5,000 s.f.	15 ft., key lots 10 ft. min.	same as above	15 ft. plus 1 ft. each story above 2nd, 20 ft. max.	6 stories or 75 ft.	same as above	400-800 s.f. per dwelling unit
R5	multiple residential	5,000 s.f.		same as above		6 stories or 75 ft.	same as above	200-400 s.f. per dwelling unit
CR	R4 uses multiple residential	5,000 s.f.		same as R4		same as above	same as R4	same as R4
C1	R3 uses multiple residential	5,000 s.f.		same as R3		same as R3	same as R3	same as R3
C1.5	R4 multi- residential	same as R4		same as R4		same as R4	same as R4	same as R4
C2	R4 uses	same as R4		same as R4		same as R4	same as R4	same as R4
C4	R4	same as R4		same as R4		same as R4	same as R4	same as R4
C5	R4	same as R4		same as R4		same as R4	same as R4	same as R4
CM	R3 multi- residential	same as R3		same as R3		same as R3	same as R3	same as R3
MR1	R3 multi- residential	same as R3		same as R3		same as R3	same as R3	same as R3
MR2	R3 multi- residential	same as R3		same as R3		same as R3	same as R3	same as R3
M1	R4 multi- residential	same as R4		same as R4		same as R4	same as R4	same as R4

AVAILABILITY OF FINANCING FOR SUBSIDIZED HOUSING

The many types of funding subsidies for housing provision include tax increment, bond financing, and federal and state government programs such as H.U.D. Section 8, HOPE, HOME, CDBG, and FHA loan insurance programs among others. The Community Redevelopment Authority has financed construction of elderly and family, single and multi-unit dwellings, and housing rehabilitation using tax increment and bond financing. Twenty percent of tax increment money is earmarked for affordable housing and can be spent anywhere in the City.

Projected CRA Funding

Funding for the Community Redevelopment Agency (CRA) work program for FY 93 is projected at \$262,157,300. Of this amount, 39%, or \$102,941,300, is allocated for housing.

The Agency is required by law to set aside at least 20% of tax increment revenues from post-1977 redevelopment projects for low and moderate income housing. The projected amount of FY 93 tax increment proceeds from the County is \$139,721,200, which would require a housing set-aside of \$27,944,240 in new housing funds for FY 93. In reality, the FY 93 budget calls for setting aside approximately \$43,352,000 in new funds for low and moderate income housing. This represents a 31% set-aside for housing, which is far in excess of the minimum required by State law. The FY 93 work program for housing calls for the following:

1. Seismic Rehabilitation Program \$32,099,800

These funds will assist the production of 1,272 units for very low and low income households. Of these 1,272 units, 318 started construction during FY 92 and 305 are projected for construction start during FY 93. The remainder will enter the pre-development phase during FY 93 with construction starts projected for FY 94. (This unit projection assumes the continued availability of leveraging sources. If these outside sources of funding are not available, the production level will be reduced to 795 units.) This is Program 11 in the Housing Element.

2. Family/Large Family Program \$28,539,500

These funds will assist the new construction of 1,242 family/large family housing units (184 very very low, 254 very low, 560 low and 169 moderate income units). Of these, 253 will start construction during FY 93; 168 started construction during FY 92; and the remainder will enter the pre-development phase during FY 93 with projected construction starts in FY 94 or FY 95. (If leveraging resources are not available, the projected production will be 537 units.) This is Program 25 in the Housing Element.

3. Residential and Neighborhood Rehabilitation \$25,480,700

These funds will assist the rehabilitation of 717 units, the majority of which (523 units) will be SRO units (353 very low, 324 low, 32 moderate and 8 market rate units). Of these 717 units, 517 will start construction in FY 93. The remainder (200 units) will be in the pre-development phase during FY 93 and will start construction in FY 94. (If

leveraging resources are not available, the production estimate will be reduced to 517.) This is Program 9 in the Housing Element.

4. Elderly Housing
\$7,795,100

These funds will assist the development of 751 elderly units (1 very very low, 351 very low, 258 low, and 141 moderate income units). Of these 751 units, 406 are expected to start construction in FY 93. The remainder will be in the pre-development phase during FY 93 and will start construction during FY 94 (160 units) and FY 95 (185 units). If leveraging sources are unavailable, the production projection would be reduced to 308 units.)

5. Shelter Beds Subsidy
\$2,799,500

This subsidy will assist in the provision of 469 shelter beds during FY 93.

6. Transitional/Special Needs Housing
\$5,878,900

These funds will assist the development of 463 "units" (170 units and 293 beds) of transitional and special needs housing (278 very low and 185 low income). Of these 463 units and beds, 211 will start construction in FY 93. The remainder started in FY 92 (110) or will start in FY 94 (34) or FY 96 (108). If leveraging resources are not available, 400 units and beds will be provided.

7. Existing Housing Preservation
\$1,140,000

These funds will provide 35 units of rehabilitated housing units (15 very low, 17 low and 3 moderate income).

8. Project and Loan Monitoring/
Management
\$11,089,900

These funds are used for the monitoring compliance with Agency covenants and loan agreements for 5,853 housing units. (227 very very low, 2,412 very low, 2,470 low and 718 moderate income units).

9. Homeownership
\$2,843,500

These funds are used for the development of 446 new homeownership units and ongoing mortgage subsidies for existing homeownership projects. This is Program 20 in the Housing Element.

10. Mixed Income Rental Housing
\$2,210,600

These funds are to be used for the development of 1,787 mixed income rental housing units (103 very low, 163 low, 83 moderate and 1,396 market rate units.) These projects are located in the Agency's downtown project areas, where the Agency is attempting to create a mixed income residential community for the downtown workforce. These units consist of 504 units which are completed or under construction. The remainder will start construction in FY 94 (200), FY 95 (783), and FY 96 (300). If leveraging resources are not available, the production level will be reduced to 924 units. No housing set aside funds are being used for in these projects.

11. Other Housing Objectives
\$6,345,000

These funds will be used for response to new housing opportunities and initiatives, the proposed Nonprofit Operating Support Grant Program, land acquisition, contingency funds for existing projects and historic preservation and education.

FISCAL YEAR 94 PRODUCTION ESTIMATES

The projected funding level for housing production during FY 94 is \$98.4 million. The production breakdown (by number of units) is as follows. (Please be aware that, if leveraging resources are not available, the number of starts in each category should be reduced by 50%.)

1. Seismic Rehab	649 Starts (includes 150 beds) 568 Completions
2. Family/Large Family	594 Starts New Construction 421 Completions 227 in Pre-development Phase
3. Residential Rehab	200 Starts 17 Completions
4. Elderly	160 Starts 406 Completions 185 in Pre-development Phase
5. Emergency Shelters	469 Beds
6. Transitional/Special	34 Starts 211 Completions in Pre-development Phase
7. Housing Preservation	35 Completions
8. Project & Loan Monitoring/Management	Ongoing oversight of 5,853 Agency-assisted units
9. Totals	1,637 Starts (includes 150 beds) 2,158 Completions 520 in Pre-development Phase 469 shelter beds ... ongoing

Both FY 93 and FY 94 budget levels and production projections are approximations and subject to revision based on a variety of factors beyond the control of the Agency.

These factors include unavailability of leveraging resources and construction delays

which would extend projected completion dates.

Other Funding Sources

The California Housing Finance Agency issues tax exempt bonds to finance rental housing developments or to assist first-time home buyers. They have financed 15,000 multifamily units and 50,000 single family units of affordable housing in the state since 1983 (L.A. Times, July 19, 1992).⁷³ They have also financed 5,009 single family units and 3,715 multifamily dwelling units in Los Angeles County since 1975. Information on housing development for the city is available from CHFA upon written request.

The Housing Preservation and Production Department and CRA can provide below market mortgage financing for renters and buyers through its tax-exempt mortgage bond program, but housing development cannot occur without a private lender to leverage public funds (if they are available). The Housing Preservation and Production Department (formerly C.D.D.) has used \$750,000,000 in bond financing since 1982 to finance over 15,000 rental units before the lender guarantee became more difficult to obtain. Bond financing for rental units is not as viable a source as lenders will no longer provide a letter of credit as a financing guarantee.

The lack of construction financing and credit enhancement are major constraints to multifamily housing production. The principal constraint on production of low

and moderate income housing continues to be the amount of public funding available to subsidize the cost of the projects, particularly that funding needed to fill the "gap" between the private mortgage supportable from project rents and the total project cost. While private financing is readily available for that portion of the project cost which supports conventional financing from project cash flow, this typically represents only 10% to 30% of the project cost.

Public financing for the balance of the financing package commonly includes Federal tax credits, State Rental Housing construction funding, tax increment, and Century Freeway funding, to name a few sources. The State Housing and Community Development Department provides a direct subsidy for housing production raised by general obligation bonds, but this funding must be leveraged with private construction financing. The Century Freeway Replacement Housing Program and the State HCD's Rental Housing Construction Program have effectively exhausted their available funds. The City's Community Redevelopment Agency provides approximately \$100 million per year in interest-deferred "gap" loans. The Housing Preservation and Production Department utilizes funding from the Community Development Block Grant and the HOME programs to provide "gap" financing.

One of the difficulties encountered by non-profit developers of low income housing is a shortage of available capital to cover "front end" or "pre-development" costs. This problem was alleviated somewhat in 1990 when the CRA established a loan fund for acquisition and pre-development costs. HPPD set up a similar fund in 1992.

Some jurisdictions require a housing linkage fee tied to commercial development to establish a fund for affordable housing units. The City has adopted a housing linkage fee requirement under the Central City West Specific Plan. A citywide linkage fee is under consideration by the City Council.

Another housing financing constraint is the departure of the Savings and Loan industry from construction lending. Other banks have instituted more stringent lending criteria because of past losses due to risky lending practices. Construction financing has also been further limited by tighter federal bank reserve requirements and other new federal regulations.

According to a study of lending practices in the City of Los Angeles entitled "Taking It To The Bank -- Poverty, Race, and Credit in Los Angeles" prepared by the Western Center on Law and Poverty, the availability of housing finance is constrained by income levels and race.⁷⁴ Lenders in the City typically lend less money in low income and minority neighborhoods. They lend less money in minority neighborhoods even if the average neighborhood income is comparable to non-minority neighborhoods. This study showed that affordable housing developers encounter more difficulty in obtaining financing for projects located in lower income communities, as compared to higher income areas. The CRA indicates that it is able to obtain private financing as long as the debt can be serviced by the development.²² Federal government loan insurance programs such as FmHA, FHA, and VA are only available to borrowers with mortgages less than \$124,000, which would represent a small percentage of loans in this City. (In South Central, where the average

home price is \$127,000 compared to the median price of \$244,500 citywide, this type of financing would be appropriate but is little used.) To address this type of discriminatory lending practice, the City of Boston and the Commonwealth of Massachusetts have established linked deposit programs which require that City and State funds be deposited in banks which are willing to provide more residential lending in lower income communities. The City of Los Angeles is developing a linked-deposit ordinance under Program 91.⁷⁵

HISTORIC RESIDENCE INVENTORY

The historical residence inventory described in Program 39 (former No. 58) is a multi-year review which is conducted as part of the community plan review process by City Planning. Four communities have been surveyed to date to identify historic structures. Historic residential properties are found in all zones, but predominantly in R2, R3, R4, and C2. Older communities such as South Central, Southeast, West Adams, Boyle Heights, Wilshire, Silverlake-Echo Park, and Northeast contain 70-87% of the structures which were built prior to 1950. The following list gives the number of pre-1950 structures by community:

37,003	-	South Central
27,382	-	West Adams
8,152	-	Boyle Heights
30,898	-	Southeast Los Angeles
24,316	-	Wilshire
11,107	-	Silverlake
35,074	-	Northeast Los Angeles

Formal overlay zones with a required City review of proposed development may evolve from this process which is in the preliminary

stage. The City has four existing historic preservation overlay zones (HPOZ), with the prospect of two more in the near future. Under an adopted HPOZ, local citizen's advisory committees review project applications for their individual communities and make recommendations to the Planning Commission. Any proposed remodeling or redevelopment project in a City-approved historic preservation overlay zone also requires review by City staff. The review period allows City staff time to evaluate the application and recommend mitigation measures to retain historic character and encourage compatible development. A public hearing is held after a 15-day comment period following notification of surrounding property owners, and a decision is rendered 30 days later. This process may take a maximum time of three months and presents a minor time constraint. The review procedure does not prevent development allowed by General Plan or zoning designation.

Retention of older homes will conserve resources and maintain affordability. Existing older homes which are located on lots zoned for more units will also tend to slow densification of certain neighborhoods until these properties are redeveloped. Program No. 59 (Historical Properties Nomination Program) has been deleted.

Programs to Overcome Constraints

While residential development potential exists, it is critical to pursue programs which will address the urgent housing needs in the City. This critical housing need is addressed in this Housing Element by inclusion of policies and implementation programs which require that the Planning Department and other affected City agencies

initiate steps to increase residential capacity and to streamline city permitting processes. This increase in capacity should be in designated center study areas, along major transportation corridors throughout the City and at and adjacent to designated transit station stops throughout the city. These measures are accompanied by supporting programs which will designate and define areas within the City which are appropriate for second dwelling units and mixed use development. Finally, the Element calls for preparation of a detailed inventory of land within the City which will further assist the City in identifying areas appropriate for recycling or redevelopment to residential or higher density residential; as well as specific sites currently improved with aging or under-utilized uses.

The following table (Table 18) includes a listing of constraints with related programs established to address them.

TABLE 18

LIST OF CONSTRAINTS AND PROGRAMS DESIGNED TO ADDRESS THEM

<u>CONSTRAINTS</u>	<u>PROGRAMS NOS. AND TITLES</u>
AB 283	P-82 Housing Impact Provision
EIR	P-90 Citywide General Plan Framework
	P-95 Reduce Processing Delays
	P-94 Reduce CEQA Delays
ICO's and Specific Plans	None
Rent Control	None
Seismic Rehab	P-28 Seismic Safety Rehab Program
Fees	P-89 Affordable Housing Fee Task Force
Development Standards	P-36 SRO Preservation and Development Study
	P-76 Mixed Use Program
	P-81 Increased Density for Affordable Housing
	P-83 Second Dwelling Overlay Zone
	P-88 Mobilehome Park Zone
	P-97 Zero Lot Line
	P-70 FAR Zoning
Availability of Financing Program (HELP)	P-23 Homeowners Encouragement Loan
	P-28 Seismic Safety Rehab Loan Program
	P-01 Bond Financing for Ownership Units
	P-02 Conventional Housing Program
	P-29 Section 8 Housing Assistance Pgm.
	P-03 Homeownership Loan Program
	P-04 Congregate Services Programs
	P-30 Expiring Affordability Requirements
	P-34 Slum Building Rehab Program
	P-06 Innovative Tax Lobbyist Program

TABLE 18 (Continued)

<u>CONSTRAINTS</u>	<u>PROGRAM NOS. AND TITLES</u>
Availability of Financing (cont.)	P-60 Community Reinvestment Act Monitoring P-09 New Resources for Affordable Housing P-12 Downpayment for First-Time Ownership Program P-13 Target Site Acquisition Program P-20 CRA Central Business District Tax Increment (CAP)
Construction Costs	P-49 Innovative Tax Lobbyist Program P-37 Demolition/Relocation Program P-77 Innovative Multiple Family Housing Projects P-42 Historic Preservation Project P-46 Citywide Seismic Unit Preservation Strategy P-18 Bidder's Resource Conservation Priority Program P-95 Reduce Processing Delays P-96 Expedite Site Plan Review P-98 Reduce CEQA Delays
Land Division Regulations	P-95 Reduce Processing Delays
Parking	P-99 Parking Study
Fair Share	P-73 Fair Share Allocation

CONGESTION MANAGEMENT PLAN

The Congestion Management Program (CMP) was enacted by the California State Legislature with the passage of AB 471 in July, 1989. The requirements for the Congestion Management Program became effective with voter approval of Proposition 111 in June, 1990. The purpose of CMP is to provide cities with a mechanism to link transportation with land use policies in such a manner that traffic congestion, local and regional, will be reduced and air quality enhanced.

The Los Angeles County Transportation Commission (LACTC) adopted the First Year CMP in December 1992.

The City of Los Angeles is working with LACTC to formulate City policies which balance CMP objectives with those of the SCAG Regional Mobility Plan.

There are currently no developer fees associated with CMP. Legislation currently exempts housing developments for very low and low income households from county-wide trip mitigation fees but requires market rate housing, that would require an EIR, to do a traffic analysis for the project.

A major aspect of CMP land use policy to reduce congestion and air pollution, is its encouragement of development adjacent to rail stations. High density residential uses are exempt from any CMP requirements within a quarter mile radius of a fixed rail passenger station. Mixed use projects are also exempt if they are within a quarter mile of a station and more than one-half of the land or floor area is used for residential uses.

The City's Centers Concept and Framework, as well as the Housing Element, call for citywide congestion reduction by linking concentration of new housing with fixed rail transportation systems.

RENT CONTROL

The Los Angeles City Rent Stabilization Ordinance, adopted in 1979, is intended to safeguard tenants from excessive and unjustified rent increases and unfair evictions. At the same time the Ordinance provides landlords with a reasonable return from their rental units. The Ordinance regulates rent increases by limiting the frequency, amount, and reason for rent increases. The ceiling on annual rent increases is based on the Consumer Price Index.

In 1988, the City's Community Development Department conducted a review of the Rent Stabilization Ordinance. As part of the review, an analysis was performed to determine the impact of the Ordinance on the construction of new multi-family housing and whether rent control deterred investment by developers. The report found that construction of multi-family housing has not stagnated. Following the inception of rent control, over 115,000 units were built between 1979 and 1987, which is an average of almost 13,000 units per year. If rent control has affected production of new rental housing, most of the impact probably occurred in the first year or two of the Ordinance's inception. The report concluded that as the nature of the Ordinance became clear and developers saw that changes were not arbitrary or frequent, the market adjusted accordingly.

The impact of rent control on maintenance and reinvestment in the housing stock was also analyzed. It has been argued that if an owner's rental revenues are significantly constrained by rent control, their response will be to reduce housing quality to match the permissible rent levels and maintain rates of return. Despite these assertions, the report's survey of tenant perceptions of the quality of maintenance of the rent controlled units indicated maintenance to be stable and perhaps improving slightly. The survey also stated that, a review of the available data on landlord expenditures for maintenance and repair indicated that this spending was rising at a lower rate than total operating expenses in 1987, but that this was true in both controlled and uncontrolled units.

The report did find that newly constructed units are being marketed at prices that those now paying average rent stabilized rents cannot afford. Most of the new multi-family housing that is currently on the market is inaccessible to lower income households.

SEISMIC REHABILITATION

The Earthquake Hazard Reduction Ordinance was adopted in 1981 by the City to identify potentially hazardous unreinforced brick buildings and to require seismic reinforcement. In 1988 the City identified 1566 seismically unsafe residential buildings in Los Angeles⁷⁶. These buildings comprise a total of nearly 50,000 dwelling units. This housing inventory represents the least expensive housing in the City and, as such, the last housing option available to many living within these units.

Many of the owners of these sub-standard structures cannot afford the \$4,000 to

\$10,000 dwelling unit cost of mandatory seismic reinforcement, and find it difficult to obtain financing. These costs can be passed on to tenants. There is currently a limit of \$75 a month on the amount landlords may raise rent to defray seismic repair costs.

While enforcement of the Ordinance is designed to protect the lives of people living in unreinforced brick buildings, there is some danger that enforcement will result in demolition. Demolitions of apartments would not only displace more existing tenants, but would further diminish the already severely inadequate supply of affordable housing.

PROCESSING & DEVELOPMENT FEES

The cost of land and construction financing probably have the greatest effect on the cost of housing construction. However, other "soft costs," particularly regulatory fees, appear to be consuming a greater percentage of total housing development costs⁷⁷. Regulatory fees are usually classified as either processing or development fees. The school district charges \$1.58 per square foot for schools, the City charges \$500 per unit for multi-family construction and varying rates for sewers (Table 19) and parks (Table 20). These are all development fees that go toward providing services and infrastructure.

Tables 21 through 23 illustrate fees charged to process and review development projects.

The City periodically increases these and other fees to reflect increasing costs of processing projects. For example, between 1984 and 1988, application fees for a zone change increased 36%, the fee for subdivision maps increased 16%, and the fee for environmental assessment increased

19%. These types of increases may emerge as another factor among the many that will influence future housing supply.

Tables 19 through 23 on the following pages summarize all the fees discussed above.

TABLE 19
SEWERAGE FACILITIES CHARGES

Residential

Single Family Dwelling Units	\$2,003.00/Dwelling Unit
------------------------------	--------------------------

Apartment Buildings

Bachelor/Single Units	\$ 605.00/Dwelling Unit
1-Bedroom Dwelling Unit	\$ 908.00/Dwelling Unit
2-Bedroom Dwelling Unit	\$1,210.00/Dwelling Unit
3 or more Dwelling Unit	\$1,513.00/Dwelling Unit
Duplex	\$1,815.00/Dwelling Unit
	(\$3,630.00)

TABLE 20
QUIMBY PARK FEES

<u>ZONE</u>	<u>FEE PER DWELLING UNIT</u>
A, RA, RE, RS, R1, RU, RZ RW1, and R2	\$1,219.00
RW2, RD and R3	\$1,828.00
R4	\$2,492.00
R5	\$7,679.00
All Other Zones	\$2,492.00

TABLE 21
DIVISION OF LAND FEES

<u>SUBDIVISIONS</u>	<u>FEES</u>
Single-Family Zones (A1, A2, RA, RE, RS, R1, RW1)	\$1,702 either plus \$29 for each lot or plus \$145 per net acre, whichever is greater, plus 2% O.S.S.
Condo-Apartment Multiple Dwelling Zones (RW2, R2, RD, R3, R4, R5)	\$1,702 plus \$58 per unit not to exceed \$3,728 plus \$29 for each lot or \$145 per net acre, whichever is greater, plus 2% O.S.S.
Condominium Conversion	Surcharge 100% of the above fee, plus 2% O.S.S.

<u>PARCEL MAPS</u>	<u>FEES</u>
---------------------------	--------------------

Single Family Zones

3 Add'l Parcels $938 + 58 + 58 + 58 = 1112 + 22 \text{ (OSS)} = \1134

Multi-Family Zones (Condos, Apt.)

1 parcel, 4 units $938 + 4(58) = 1170 + 23 \text{ (OSS)} = \1193

Multi-Family Zones - Condo Conversions

1 parcel, 4 units $1170 + 1170 = 2340 + 47 \text{ (OSS)} = \2387

Source: Los Angeles City Planning Department, Division of Land Section

TABLE 22

CITY OF LOS ANGELES SELECTED FEE SCHEDULE

**Department of Building and Safety Plan Check,
Building Permit, and Plan Maintenance Fees**

<u>Valuation</u>	<u>Plan Check</u>	<u>Permit</u>	<u>Plan Maintenance</u>
\$ 1,000	17.00	20.00	6.00
5,000	37.40	44.00	6.00
10,000	62.90	74.00	6.00
25,000	133.02	156.50	6.00
100,000	385.90	454.00	9.08
250,000	704.65	829.00	16.58
500,000	1,235.90	1,454.00	29.08
1,000,000	2,213.40	2,604.00	52.08

Additional Fees

School Fees	\$1.67/sq. ft.
Multi-Family Construction Tax	\$500.00 per unit.

TABLE 23

**LOS ANGELES CITY PLANNING DEPARTMENT
SELECTED FEES**

<u>Type of Application</u>	<u>Fee</u>	<u>2% Surcharge</u>	<u>Total</u>
Conditional Use	\$2,810	\$56.00	\$2,866
Zone Change			
Single Family	\$3,314	\$66.00	\$3,380
Multiple	\$4,256	\$85.00	\$4341
unit)			(Plus \$205 per
Zone Variance (Use Variance)	\$3,680	\$74.00	\$3754
Area & Height Variance			
Single Family	\$890	\$17.00	\$907
Area & Height Variance			
Multiple Density	\$3,379	\$68.00	\$3,447
Area & Height Variance			
in addition to Use Variance	\$249	\$5.00	\$254
Environmental Exemption	\$49	\$1.00	\$50
Initial Study	\$578	\$12.00	\$590

LAND DIVISION REGULATIONS

Land division regulations can increase the housing production costs ultimately borne by consumers. Although they may contribute to the quality of neighborhoods, such regulations can also create problems of affordability. The City requires basic on-site and off-site dedications and easements. The City has adopted numerous design standards to regulate the improvement of sites. Table 22 illustrates the processing fees for subdivisions.

The City's Quimby Ordinance requires developers to dedicate land or pay an in lieu fee for the acquisition and development of park and recreation sites and facilities to serve residents of the subdivision. The fees are adjusted annually based on the percentage change in value of existing single-family dwellings. (See Table 20.) There was a 23% fee increase from 1989 to 1990.

POTENTIAL AND ACTUAL NON-GOVERNMENTAL CONSTRAINTS

Meeting the City's housing needs through the production of housing is also constrained by non-governmental factors. These factors include high land, construction, and financial costs. In Los Angeles today, the great demand for housing is constrained by the shortage of affordable developable land. Given these conditions, market rate housing tends to be unaffordable for very low, and low income households. Because there is

little profit in building low income housing, construction of single-family and multi-family housing is targeted for moderate and higher income households.

Traditionally, affordable units "trickled down" from higher income housing. Older properties were built on less inflated costs (land, construction, financing) and did not reflect the costs of new construction. This is no longer the case as exemplified by SRO housing. Most SRO housing was built as hotels, but now serves as long-term housing. In the meantime, no new SRO's are being built.

The City of Los Angeles engaged a consultant team to conduct a study for the Housing Linkage Ordinance. The consultant provided an analysis of the "affordability gap" for renters and homeowners in Los Angeles. This gap represents the difference between the cost of developing new rental and home ownership opportunities in Los Angeles and housing expense which is affordable to lower income households.

The consultants concluded that large amounts of public funds and other assistance are needed to meet affordable housing needs. This assistance is needed because low and moderate income households cannot afford to pay the rent or mortgage payments necessary to cover the cost of constructing and operating a typical apartment or owning a home in Los Angeles.

A family of four with 50% of median income can afford \$521 a month in housing expenses (see Table 24). However, market rate rents and ownership costs are significantly higher in Los Angeles. According to the 1988 City of Los Angeles Rent Stabilization Review, in October of

1987, the average rent for a two bedroom apartment was approximately \$710 a month. For a three bedroom apartment the average rent was approximately \$886 a month.

For sale housing prices are also expensive. According to the California Real Estate Trends Newsletter, as of March 1990, the median sales price for a single family home in Los Angeles County was \$210,458. With a 10% down payment (\$21,046) and a 10.5%, 30 year fixed rate mortgage, monthly principal and interest payments are \$1,733.

Since it is expected that a significant share of residential projects will be built at higher densities, particularly in the Central and Western portions of the City, the incremental costs associated with higher density projects were examined. Residential projects built at higher densities usually entail higher construction costs than those developed at lower densities⁷⁸.

Higher density is defined as over 30 to 35 units per acre range. This is the density at which parking can no longer be accommodated in wood frame garages or surface lots, but must be accommodated in a concrete structure. Given the City's parking code, which requires more than one space for all units larger than a studio, the 30 to 35 units per acre density is a common breaking point.

TABLE 24

**Affordable Monthly Housing Expense
City of Los Angeles**

**Percent of
Household
Median
Income**

Household Size (Number of Persons)

	1	2	3	4	5
35 %	\$255	\$293	\$329	\$365	\$394
50 %	\$365	\$418	\$469	\$521	\$563
65 %	\$474	\$543	\$610	\$678	\$731
80 %	\$544	\$623	\$700	\$778	\$826
90 %	\$613	\$700	\$788	\$875	\$930
100 %	\$681	\$778	\$875	\$973	\$1,034

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

CONSTRUCTION COSTS/PRICE OF LAND

Development costs were calculated for the city's six Labor Market Planning Areas (LMPA's) in the Linkage study (see Table 25). A project's development costs are its hard and soft costs combined. Hard costs consist of labor and materials and are based on a standardized construction cost index for average and good quality construction. Soft costs are estimated at 20% of hard costs and fees and include architectural and engineering services, construction finance, insurance, contracts and developer fee expenses.

In the City of Los Angeles, land and construction costs present a constraint to housing development. Land costs are seldom less than \$25,000 per unit, and construction costs may range from \$76,000 to \$98,000 (2 bedroom unit) for average construction quality.⁷⁹

Development costs also include fees such as the following:

- * school fees of \$1.67 per square feet;
- * construction tax of \$500 per unit;
- * sewerage facilities charge of \$605/unit for studios, \$908/unit for one bedroom, \$1,210/unit for two bedrooms, and \$1,513/unit for three bedrooms.
- * plan check fees based on valuation of residential development costs and parking construction costs (\$5446 for a \$250,000 single family home);
- * fire hydrant fees of \$150 per unit;
- * condominium map fee of \$159.30 per unit
- * Quimby fee of \$1192 per unit;

Because of high development costs, in order for low and moderate income households to afford housing, a subsidy is required to cover the cost of constructing and operating a typical apartment or owning a home in the city. Table 26 indicates the citywide subsidy requirements for renter households. These numbers show the high expense of subsidizing affordable housing for low and very low income renters in Los Angeles. A household at 50% of median income requires a subsidy of \$61,372 for an "average" two bedroom apartment. The same household requires a subsidy of \$74,295 for a "good" quality two bedroom.⁸⁰ Table 27 gives the citywide subsidy requirements for owner households by income group. A household at 50% of median income requires a one-time subsidy of \$61,372 for an "average" two bedroom apartment. The same household requires a subsidy of \$74,295 for a "good" quality two bedroom.⁸¹ Table 28 estimates land costs for each LMPA.

Table 29 compares the cost of land to the cost of constructing a unit in each LMPA. The range of percentages illustrate the relative importance the cost of land is for developing residential property. Land cost for two bedroom apartment is 19% of the construction cost in Northeast Los Angeles, but 21% in the Harbor, 29% in the San Fernando Valley, 31% in South Central and Central Los Angeles, and 40% in West Los Angeles.

For a three bedroom ownership unit, land cost is 13% of construction cost in Northeast Los Angeles and the Harbor, 20% in South Central and the San Fernando Valley, 21% in Central Los Angeles, and 29% in West Los Angeles. Table 27 gives the citywide requirements for owner households. Once

again, the subsidy requirements are substantial. In order to purchase a three bedroom home, a household at 50% of median income requires a subsidy of \$95,703. A household of 80% at median income needs a subsidy of \$68,392.

Land cost estimates (per unit) are shown in Table 28. A comparison of land costs to unit construction cost as a percentage (by LMPA) is shown in Table 29. Land cost for rental units as a percentage of total cost for different areas of the City is as follows:

- Northeast L.A. - 19%
- Harbor - 21%
- San Fernando Valley - 29%
- South Central & Central L.A. - 31%
- West L.A. - 40%

Land cost for ownership units as a percentage of total costs by areas of the City is:

- Northeast & Harbor - 13%
- South Central & San Fernando V.- 20%
- Central L.A. - 21%
- West L.A. - 29%

TABLE 25

Summary
Rental and Ownership Unit Total Development Cost
by Labor Market Planning Area

Unit Size					
<u>LMPA</u>	<u>Studio</u>	<u>One BR</u>	<u>Two BR</u>	<u>Three BR</u>	<u>Four BR</u>
1 East/Northeast					
Rental	\$ 53,075	\$ 65,153	\$ 77,275	\$ 99,500	NA
Owner	NA	NA	\$107,329	\$119,523	\$131,321
2 South Central					
Rental	\$ 60,127	\$ 70,927	\$ 81,753	\$ 94,651	NA
Owner	NA	NA	\$112,251	\$124,314	\$135,979
3 Central					
Rental	\$ 71,023	\$ 84,380	\$ 97,798	\$111,348	NA
Owner	NA	NA	\$127,407	\$139,733	\$151,662
4 S.F.V.					
Rental	\$ 61,896	\$ 73,462	\$ 85,066	\$ 98,130	NA
Owner	NA	NA	\$115,298	\$127,439	\$139,184
5 W.L.A.					
Rental	\$ 86,023	\$ 99,380	\$112,798	\$126,348	NA
Owner	NA	NA	\$142,407	\$154,733	\$166,662
6 Harbor					
Rental	\$ 50,127	\$ 60,927	\$ 71,753	\$ 84,651	NA
Owner	NA	NA	\$102,251	\$114,314	\$125,979

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

TABLE 26
Citywide Subsidy Requirements for Renter Households

Income Group as % of Median	Construction Quality	Studio	One BR	Two BR	Three BR
35%	Average	\$58,011	\$65,868	\$73,941	\$85,058
	Good	\$66,094	\$76,404	\$86,884	\$101,222
50%	Average	\$48,128	\$54,631	\$61,372	\$71,012
	Good	\$56,211	\$65,167	\$74,295	\$87,176
65%	Average	\$38,348	\$43,395	\$48,660	\$56,967
	Good	\$46,431	\$53,931	\$61,603	\$73,131
80%	Average	\$32,106	\$36,217	\$40,649	\$48,020
	Good	\$40,189	\$46,753	\$53,592	\$64,184
90%	Average	\$25,863	\$29,246	\$32,742	\$39,280
	Good	\$33,946	\$39,782	\$45,685	\$55,444
100%	Average	\$19,725	\$22,275	\$24,835	\$30,437
	Good	\$27,808	\$32,811	\$37,778	\$46,601

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

TABLE 27
Citywide Subsidy Requirements for Owner Households

Income Group as % of Median	Two BR	Three BR	Four BR
35%	\$103,126	\$112,281	\$121,787
50%	\$ 88,248	\$ 95,703	\$103,827
65%	\$ 73,264	\$ 79,018	\$ 85,974
80%	\$ 63,700	\$ 68,392	\$ 75,878
90%	\$ 53,348	\$ 58,083	\$ 64,826
100%	\$ 45,103	\$ 47,669	\$ 53,774

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

TABLE 28**Land Cost Per Unit by LMPA
City of Los Angeles**

LMPA	Land Cost per Unit
1 East/Northeast	\$15,000
2 South Central	\$25,000
3 Central	\$30,000
4 San Fernando Valley	\$25,000
5 West	\$45,000
6 Harbor	\$15,000

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

TABLE 29**Land Cost as Percent of Construction Cost**

Studio Apt	1 Bedroom Apt	2 Bedroom Apt	2 Bedroom Owner	3 Bedroom Owner
1 28%	23%	19%	14%	13%
2 42%	35%	31%	22%	20%
3 42%	36%	31%	24%	21%
4 40%	34%	29%	22%	20%
5 52%	45%	40%	32%	29%
6 30%	25%	21%	15%	13%

Source: David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990.

HOUSING DISCRIMINATION

Discrimination in the rental and sale of housing is prevalent in the City of Los Angeles. Opportunities to be treated fairly when seeking a place to live are limited by racist and arbitrary practices.

The Civil Rights Act of 1968 bans discrimination in the sale, rental, financing, advertising, brokerage, etc. of housing based on race, religion, color, national origin and sex. An amendment, effective on March 12, 1989, extended coverage to prohibit discrimination on the basis of handicap and on the basis of familial status.

Table 30 shows that 2,386 housing discrimination complaints and investigations for the six year period 1983 to 1989 were documented by the Fair Housing Congress of Southern California, a non-profit corporation which contracts with the City of Los Angeles to operate the City's Fair Housing Program. The leading bases for discrimination in descending order of occurrence were race and families with children. In fact, 74% of the complaints resulted from the 2 categories noted above, with about 46% resulting from discrimination on the basis of race.⁸²

The great majority of actual incidents of discrimination go unreported despite the large number of documented cases of discrimination. In some cases prospective home seekers are unaware that they are victims of discrimination because the discriminatory practice has become quite subtle and landlords and real estate dealers are aware of their responsibilities under the law and find ways to circumvent it. ⁸³

Underreporting of discrimination also results from people not being aware of what their rights are and to whom they can register a complaint. Victims often decide, too, that complaining is unnecessary in some instances since they do not desire to live in neighborhoods where discrimination is prevalent.

The end result of racial discrimination in housing is the perpetuation of past segregation and elimination of significant free choice.

Los Angeles is fast becoming one of the most ethnically diverse cities in the United States. Asians, Latinos, African-Americans and newly arrived immigrant groups (e.g., Armenians) make up a majority of the City's population. For some groups, however, racial segregation remains a fact of life. For African-Americans, in particular, the City of Los Angeles remains one of the most racially segregated cities in the country. In the 17 cotoes with the largest Black population, Los Angeles had a residential segregation index of 76 in 1980 (this number is a measure of dissimilarity, which is the percentage of the population that must be relocated to achieve full integration). In other words, an index of 0 would mean no dissimilarity or segregation and 100 would mean complete dissimilarity or segregation. With an index of 76, Los Angeles is not even close to achieving residential integration. (See Table 31)

Discrimination in housing based on race is one form of discrimination. Blacks face the most intense and far-reaching discrimination. The figures in Table 31 make the point most clearly. These figures show that in Los Angeles in 1980 Blacks had a segregation from whites index of 81

as compared to 57 and 47 for Hispanics and Asians, respectively. If current trends continue, black-white residential segregation in Los Angeles will be with us at least throughout half of the next century. One recent study estimates that to obtain a fully integrated Los Angeles, over 75% of all Blacks and over 50% of all Hispanics would have to move into Anglo neighborhoods.

Families with children comprise the second greatest category of discrimination. Single-parent families, large families, immigrant families, unmarried couples, and families of color most commonly face this type of unfair housing practice.

Within the City of Los Angeles, the areas from which the greatest number of discrimination complaints for all categories were received and investigations carried out were the San Fernando Valley and Hollywood/Wilshire service areas with over 1,000 cases each recorded.

The fair housing policies of the City of Los Angeles in concept seek to provide equal housing opportunities to all its residents, but do not come close to actualizing these opportunities. Due to lack of commitment or ignorance of the extent of the problem, strong punitive measures and educational programs to combat racism and discrimination do not exist at the local level.

In order for the City of Los Angeles to move closer to the goal of fair housing, a serious commitment to enforce existing fair housing legislation and to create local legislation and enforcement mechanisms is warranted.

TABLE 30
City of Los Angeles
Housing Discrimination Complaints/Investigations
By Category
1984-1989

CATEGORY	88-89	87-88	86-87	85-86	84-85	83-84	TOTAL
RACE	192	170	169	200	191	180	1102
RELIGION	4	3	10	23	2	8	50
SEX	5	9	25	10	5	11	66
NATIONAL ORIGIN	53	43	119	59	55	32	360
AGE	18	5	19	25	31	25	123
CHILDREN	94	99	148	120	120	94	675
HANDICAP	7	14	10	5	11	13	60
MARITAL STATUS	15	21	26	37	34	38	171
SEXUAL ORIENTATION	3	8	8	10	5	4	38
STUDENT	6	8	10	8	3	4	39
ARBITRARY	<u>40</u>	<u>16</u>	<u>19</u>	<u>18</u>	<u>18</u>	<u>10</u>	<u>121</u>
TOTAL	437	396	563	515	475	419	2386

TABLE 31

Measures of the Residential Segregation of Blacks, Hispanics,
and Asians from Non-Hispanic Whites
Metropolitan Areas in 1980 *

Segregation of three groups
from non-Hispanic Whites

	BLACKS	HISPANICS	ASIANS
Atlanta	77	31	39
Baltimore	74	38	44
Chicago	88	64	46
Cleveland	88	55	42
Dallas	79	49	43
Detroit	88	45	48
Houston	75	49	45
Los Angeles	81	57	47
Miami	78	53	34
New Orleans	71	25	54
New York	81	65	49
Newark	82	65	35
Philadelphia	79	63	47
St. Louis	82	32	44
San Francisco	74	41	47
Washington	70	32	31
Average	79	48	43

* Note: These are indexes of dissimilarity. Data are shown for all metropolitan areas with 250,000 or more Black residents in 1980.

CHAPTER V - ISSUES, GOALS, OBJECTIVES AND POLICIES

It is the overall housing goal of the City of Los Angeles to meet the existing and projected housing needs of all its residents by providing safe and affordable housing for all social and economic segments of the community while maintaining an economically sound and healthy environment. Within this context, the City has established specific goals which provide the basis for addressing its housing needs. These goals are followed by measurable, where feasible, objectives and policies to guide public officials and decision-makers in meeting the City's housing goals. In this section, the related programs are mentioned for reference. For detailed information on the programs, please see Chapter VI.

ISSUE: AFFORDABILITY

GOAL 1: An adequate supply of housing accessible to persons of all income levels.

OBJECTIVE 1.1

The City shall seek to preserve the affordability of existing garage and second dwelling units occupied by low-income households.

POLICY

- 1.1.1 The City should seek to preserve the affordable rental housing stock by preserving and rehabilitating safe existing illegal units that house very low and low income households when such units can conform to minimum code standards of safety and livability; and when the permanent affordability of the units is assured. Such units include garage units, conversions and second dwelling units in single family zones.

P-40 Illegal Unit Task Force

OBJECTIVE 1.2

Preservation of 35,000 publicly assisted housing units.

POLICY

- 1.2.1 The City shall support continued affordability of units subject to termination of federal mortgage or rent subsidies and expiring bond projects.

P-17 Long Term Affordability Standards
P-29 Section 8 Housing Assistance Program
P-30 Expiring Affordability Requirements Program

OBJECTIVE 1.3

By July 1, 1994, develop broad-based strategies for discouraging demolition of affordable housing units and/or encouraging replacement of affordable housing.

POLICIES

- 1.3.1 The City shall discourage the demolition of affordable housing and encourage the availability of suitable replacement units consistent with the strategies developed pursuant to Objective 1.3.

P-27 Move-on Housing Program
P-31 CRA CBD Replacement Housing Plan
P-33 Demolition Mitigation Program
P-36 SRO Preservation and Development Zoning Study
P-37 Demolition/Relocation Program
P-43 Citywide and Downtown SRO Demolition Moratoria
P-44 HACLA Move-on Program
P-45 Distressed Properties Program
P-69 Child Care Facility Assessment

- 1.3.2 The City shall assure relocation services are provided to persons who are displaced as a result of City's action.

P-31 CRA CBD Replacement Housing Plan

- 1.3.3 The City shall monitor all demolitions in the Coastal Zone and ensure that replacement requirements are developed and enforced.

P-79 Coastal Zone Monitoring Program

- 1.3.4 The City shall increase affordable housing opportunities by purchasing or assisting in the purchase, at below-market, projects in default and now owned by the federal Resolution Trust Corporation.

ISSUE: HOUSING PRODUCTION AND CAPACITY

GOAL 2: Sufficient ownership and rental housing to meet the City's need.

OBJECTIVE 2.1

Construction of 129,100 affordable units to meet the RHNA goals for very low, low, moderate and high income levels between July 1, 1989 and June 30, 1994.

POLICIES

2.1.1 The City shall promote the development of housing opportunities in each community plan area, not limited by type, price or location.

- P-01 Bond Financing for Ownership Units
- P-08 Multiple Family Demonstration Project
- P-72 Affordable Housing Fee Task Force
- P-73 Citywide General Plan Framework
- P-77 Innovative Multiple Family Housing Program
- P-80 Model Environmental Village
- P-84 Land Inventory

2.1.2 The City shall actively promote the financing of affordable housing projects.

- P-01 Bond Financing for Ownership Units
- P-06 Innovative Tax Lobbyist Program
- P-09 New Resources for Affordable Housing
- P-10 Tax Exempt Financing for Rental Housing
- P-11 Nonprofit Operating Support
- P-13 Target Site Acquisition Program
- P-20 CRA CBD Tax Increment (CAP)
- P-21 HOME Program
- P-25 HOPE Program

2.1.3 The City should allow construction of affordable housing projects above public and private parking lots in appropriate locations.

- P-86 Housing Over Parking Lots

- 2.1.4 The City shall make the development of affordable housing a first priority for excess publicly-owned land.

P-07 City-Owned Land Inventory

- 2.1.5 The City shall require that housing developments constructed expressly for lower income households not be concentrated in any single area of the City.

P-72 Inclusionary Zoning Districts

P-73 Fair Share Allocation Program

- 2.1.6 The city shall encourage the development of limited equity housing cooperatives and non-profit housing developments.

P-11 Nonprofit Operating Support

- 2.1.7 The City shall allow second dwelling units and granny flats on single family lots in designated locations throughout the City.

P-83 Second Dwelling Overlay Zones

- 2.1.8 The City shall support the establishment of shelter facilities and transitional housing for homeless people throughout the City.

P-04 Congregate Services Program

P-49 Transitional Housing for Homeless

P-52 Emergency Community Services Homeless Program

P-54 State Homeless Assistance Program

P-55 Single Adult Transitional Housing

- 2.1.9 The City shall encourage development of congregate housing projects.

P-58 Shared Living Quarters Assistance Program

OBJECTIVE 2.2

Provision of adequate sites zoned to accommodate 129,100 units by 1994.

POLICIES

- 2.2.1 As a first priority, the City shall increase residential densities in

designated center study areas and along major transportation corridors.

P-84 Land Inventory

- 2.2.2 The City shall designate areas at transit station stops for higher density residential land uses along with related land use designations to serve residents.

P-84 Land Inventory

GOAL 3: Affordable housing production incentives for profit and non-profit housing developers.

OBJECTIVE 3.1

Additional production incentives for developers of affordable housing.

POLICIES

- 3.1.1 The City should make changes in development standards and to the Los Angeles Planning and Zoning Code which would provide greater incentives to build affordable housing.

P-36 SRO Preservation and Development Zoning Study

P-70 FAR Zoning

P-81 Increased Density for Affordable Housing

P-94 Density Bonus Ordinance

P-97 Zero Lot Line

P-99 Parking Study

- 3.1.2 The City shall pro-actively use the state density bonus programs and provide additional bonuses and incentives to developments which include affordable housing.

P-49 HOPE Program

P-81 Increased Density for Affordable Housing

P-99 Parking Study

- 3.1.3 The City shall reduce processing and other fees for new housing developments and for rehabilitation projects affordable to very low and low income households.

P-14 Tax Waivers for Affordable Housing

ISSUE: GOVERNMENTAL BARRIERS

GOAL 4: A reduction in barriers leading to more housing.

OBJECTIVE 4.1

Removal of governmental barriers and reduction of processing time for affordable housing development permits by at least 25%.

POLICIES

4.1.1 The City shall continue to consolidate public hearings for affordable housing projects needing discretionary approval from different Boards, Departments, Agencies or Commissions.

P-85 Consolidated Public Hearings

4.1.2 The City shall expedite housing development and rehabilitation projects affordable to low and very low income households.

P-36 SRO Preservation and Development Zoning Study

P-92 Mayor's Office Affordable Housing Expediting Program

4.1.3 The City shall streamline land use regulations to stimulate development of affordable housing.

P-82 Housing Impact Provision

P-95 Reduce Processing Delays

P-96 Expedite Site Plan Review

P-98 Reduce CEQA Delays

ISSUE OPPORTUNITY/ACCESSIBILITY

GOAL 5: Housing opportunities accessible to all City residents without discrimination,

including groups with special needs.

OBJECTIVE 5.1

Provision of housing for residents with special needs, (e.g. homeless, elderly, disabled, large families, female-headed households, persons living with AIDS, farm workers).

POLICIES

- 5.1.1 The City shall aggressively support equal opportunity practices in the sale, lease or rental of housing without regard to race, ethnicity, religion, disability, sexual orientation, age, gender and family status and develop specific programs to maximize these opportunities.

P-67 Lending Discrimination Testing

P-74 Anti-Discrimination Legislation

- 5.1.2 The City shall take an active role in broadening the accessibility and availability of housing to all City residents, with particular attention to the special needs of the homeless, very low, and low income households, disabled, elderly, large households, families with children, single parent households, and persons living with AIDS.

P-02 Conventional Housing Program

P-03 Homeownership Loan Program

P-04 Congregate Services Program

P-05 Family/Large Family Program

P-27 Move-on Housing Program

P-29 Section 8 Housing Assistance Program

P-36 SRO Preservation and Development Zoning Study

P-42 Historic Preservation Program

P-43 Citywide SRO Demolition Moratoria

P-44 HACLA Move-on Program

P-47 Monitor Data and Reinforce Brick Buildings

P-50 Transitional Housing for the Homeless

P-51 Housing Opportunities for Persons with AIDS

P-52 Emergency Community Services Homeless Program

P-56 Disabled Policy Statement

P-57 Elderly/Disabled Housing Clearinghouse

P-58 Shared Living Quarters Assistance Program

P-59 Local Disabled Access Legislation

P-61 Citywide Legislative Policy on Homeless

P-62 Hope for Elderly Independence

- P-63 Elderly Supportive Housing Production
- P-64 Affordable Facilities for Frail Elderly
- P-65 Supportive Housing Program for the Elderly
- P-66 Homeless Prevention Program
- P-74 Anti-Discrimination Legislation
- P-77 Innovative Multiple Family Housing Projects

5.1.3 The City shall facilitate residential building access for disabled persons by enforcing existing laws and developing additional standards for removal of architectural or other barriers.

- P-56 Disabled Policy Statement
- P-59 Local Disabled Access Legislation

5.1.4 The City shall encourage ethnic, age, and income diversity throughout the City's community plan areas.

- P-57 Elderly/Disabled Housing Clearinghouse
- P-72 Inclusionary Zoning Districts
- P-73 Fair Share Allocation Program

5.1.5 The City shall prohibit professional and business practices that are detrimental to the preservation and improvement of housing, such as redlining and slum-lording.

- P-41 Slumlord Task Force
- P-60 Community Reinvestment Act Monitoring Program
- P-68 Linked Deposit Ordinance

5.1.6 The City shall inform individuals and organizations on the housing development and rehabilitation process.

- P-15 Communities Program
- P-16 Community Education Project

5.1.7 The City shall encourage the inclusion of three, four, and five bedroom units in all residential projects.

- P-77 Innovative Multiple Family Housing Program

OBJECTIVE 5.2

Greater opportunities for all City residents to purchase housing.

POLICIES

5.2.1 The City shall deposit public funds in lending institutions which have clear records of meeting community credit needs.

P-60 Community Reinvestment Act Monitoring Program

P-68 Linked Deposit Ordinance

5.2.2 The City shall support first-time home ownership opportunities such as low-interest loans, reduced down payments, loan counseling and packaging.

P-01 Bond Financing for Ownership Units

P-03 Homeownership Loan Program

P-12 Down Payment for First Time Homeownership Program

ISSUE: LIVEABLE NEIGHBORHOODS FOR EVERYONE

GOAL 6: A city of residential neighborhoods that maintains a sense of community by conserving and improving existing housing stock.

OBJECTIVE 6.1

Rehabilitation and repair of 6,369 dwelling units between July 1, 1989 and June 30, 1994.

POLICIES

6.1.1 The City shall promote neighborhood preservation, beautification and rehabilitation to insure that existing housing is maintained in decent, safe, and sanitary condition.

P-22 Neighborhood Preservation Program

P-23 Homeowners Encouragement Loan Program (HELP)

P-24 Contract Agency Program

P-26 Residential Rehabilitation Loan Program

P-34 Slum Building Rehabilitation Program

- 6.1.2 The City shall emphasize the retention and improvement of substandard dwelling units as long as the health and life safety of the inhabitants is not threatened.

P-23 Homeowner's Encouragement Loan Program (HELP)
P-26 Residential Rehabilitation Loan Program

- 6.1.3 The City shall mitigate relocation and displacement hardships caused by housing demolitions, conversions or neighborhood gentrification.

P-32 Tenant Purchase Ordinance/Affordable Condominium Conversion Program

- 6.1.4 The City shall support the preservation, rehabilitation and new construction of SRO's.

P-36 SRO Preservation and Development Zoning Study
P-43 Citywide SRO Demolition Moratoria
P-47 Monitor and Reinforce Brick Buildings

- 6.1.5 The City shall support efforts to subsidize the cost of retrofitting affordable seismically unsafe units as part of the enforcement of the Earthquake Hazard Reduction (seismic) Ordinance.

P-28 Seismic Safety Rehabilitation Loan Program
P-46 Citywide Seismic Safety Preservation

- 6.1.6 The City shall support private and public rehabilitation programs to assist low and moderate-income households to maintain their properties.

P-22 Neighborhood Preservation Program
P-24 Contract Agency Program

- 6.1.7 The City shall maintain and improve the existing supply of public housing.

P-02 Conventional Housing Program
P-38 City Assistance for Public Housing Repairs

- 6.1.8 The City shall preserve existing mobile home parks.

- P-35 Mobilehome Preservation and Ownership Project
- P-88 Mobilehome Park Zone

OBJECTIVE 6.2

Identification and protection of architecturally and historically significant residences and neighborhoods.

POLICIES

- 6.2.1 The City shall protect and enhance historically and architecturally significant residences, buildings, and neighborhoods through all available means, including the Community Plan Revision Program.

- P-39 Historical Residence Inventory
- P-42 Historic Preservation Project

- 6.2.2 The City shall encourage designs in officially designated historically significant areas which are compatible with the size, scale, color and material of surrounding buildings and the character of the neighborhood.

- P-39 Historical Residence Inventory

OBJECTIVE 6.3

Preservation and stabilization of neighborhoods in all communities throughout the City.

POLICIES

- 6.3.1 The City shall protect and preserve designated stable neighborhoods.

- P-100 CPR Neighborhood Identification Process

- 6.3.2 The City shall provide and rehabilitate community facilities, services and infrastructure to enhance the vitality of older and lower-income neighborhoods.

- P-90 General Plan Framework

- 6.3.3 In developing new housing, the City shall protect its natural environment, encourage retention of open space and limit intensity of development in hillside areas.

P-71 Hillside Ordinance

ISSUE: JOBS/HOUSING RELATIONSHIP

GOAL 7: Housing, jobs and services in mutual proximity.

OBJECTIVE 7.1

Reduction in the average length of commute trips by 8% by 2010.

POLICIES

- 7.1.1 The City shall encourage development of new senior citizen projects that are accessible to public transportation and services.

P-90 Citywide General Plan Framework

- 7.1.2 The City shall encourage the development of child-care facilities in conjunction with new residential and commercial developments and park and ride facilities.

P-69 Child Care Facility Assessment

P-80 Model Environmental Village

- 7.1.3 The City shall encourage jobs in areas which have affordable housing but lack economic and employment opportunities.

P-90 General Plan Framework

- 7.1.4 The City shall expand housing opportunities by permitting a residential mix with job-producing land uses.

P-19 Housing Linkage Fee

P-76 Mixed Use Program

P-80 Model Environmental Village

- 7.1.5 The City shall encourage higher residential densities in commercial areas that are jobs-rich and housing poor.

P-90 General Plan Framework

- 7.1.6 The City shall encourage mixed use developments where appropriate.

P-76 Mixed Use Program

- 7.1.7 The City shall encourage efforts by employers to balance jobs and housing.

P-19 Housing Linkage Fee

P-78 Jobs/Housing Analysis Areas

- 7.1.8 The City should encourage the development of home occupations and telecommuting in order to reduce commuter traffic.

P-87 Home Occupations and Telecommuting

- 7.1.9 The City shall promote high density housing in its primary center, South Park/Central Business District.

P-93 CBD Housing Program

ISSUE: HOUSING QUALITY

GOAL 8: Well designed housing with amenities.

OBJECTIVE 8.1

Expansion of design standards for multi-family housing which complement and improve the character of neighborhoods.

POLICY

8.1.1 The City should encourage public and private efforts to build demonstration projects that incorporate technological innovations and new concepts of housing design.

- P-08 Multiple Family Demonstration Projects
- P-77 Innovative Multiple Family Housing Program
- P-80 Model Environmental Village

OBJECTIVE 8.2

Increased amenities in affordable housing.

POLICY

8.2.1 The City shall promote livability and enhance security of residential areas by requiring building and housing unit design which incorporates adequate space for privacy, facilities for recreation, noise control methods, and adequate light and ventilation.

- P-75 Code Design Standards
- P-77 Innovative Multiple Family Housing Program
- P-80 Model Environmental Village

GOAL 9: Energy-efficient housing.

OBJECTIVE 9.1

Achievement of not less than a 15% reduction in total utility consumption per capita by July 1, 1994.

POLICY

9.1.1 The City shall encourage energy efficiency in new residential developments, and retrofitting for water consumption savings in existing housing.

P-18 Bidder's Resource Conservation Priority Program

P-80 Model Environmental Village

P-91 Flexible Siting Program

CHAPTER VI - IMPLEMENTATION PROGRAMS

This chapter contains a narrative description of the various implementation strategies to be undertaken within this Element time frame to further the housing goals, objectives and policies contained in the preceding chapter. Although these implementation measures are of immediate and overall importance in meeting the City's existing and future housing needs for all segments of the community, it is recognized that the City has limited resources and there are competing demands for those resources that exist. (A summary table follows the program listing.)

PROGRAMS RELATED TO PRODUCTION

P-1 Bond Financing for Ownership Units: Continue bond financing for ownership units; work with FNMA and other credit enhancers to develop a new lending pool for homeownership.

Policies Addressed:	2.1.1, 2.1.2, 5.2.2
Responsible Agencies:	CRA, HPPD
Financing:	Tax Exempt Bonds, FNMA

Objective:	HPPD: Issue \$70 million in mortgage revenue bonds to finance homes for 650 moderate income families annually. CRA: Finance 50 units (50% low and 50% moderate income) annually.
------------	---

P-2 Conventional Housing Program : Continue to maintain 21 public housing developments with a total of 8,760 rental units and a population of approximately 31,000 low income families, senior citizens, and disabled/handicapped persons. Expand new housing opportunities.

Policies Addressed:	5.1.2, 6.1.8
Responsible Agency:	HACLA
Financing:	Housing Authority Funds

Objective:	Build 35 low income dwelling units annually.
------------	--

P- 3 Homeownership Loan Program: Provides mortgage loans to qualifying low and moderate income households to purchase condominiums built with agency assistance. Loans are secured by second deeds of trust and are assumable by subsequent qualified purchasers (may include land write downs, constructions subsidies and/or secondary financing).

Policies Addressed: 5.1.2, 5.2.2
Responsible Agency: CRA
Financing: Tax Increment funds

Objective: Development of 446 new homeownership units for fiscal year July 93 through June 94.

P- 4 Congregate Services Program: Provides funding to enable frail elderly persons who live in federally assisted housing to live independently by retrofitting physical facilities and providing supportive services and service coordination.

Policy Addressed: 5.1.2
Responsible Agency: CDD
Financing: CDBG

Objective: Provide funds for at least 40 Very Low Income units annually.

P-5 Family/Large Family Program: The Community Redevelopment Agency allocates housing funds to family/large family units.

Policy Addressed: 5.1.2
Responsible Agency: CRA
Financing: Tax Increment Funds

Objective: Assist in the new construction of 2,387 large family units between 89-92 and complete an additional 1,242 units by 6/94.

P-6 **Intergovernmental Assistance for Housing:** Lobby for state and federal funding and favorable tax policies that encourage the rehabilitation and development of affordable housing.

Policy Addressed: 2.1.2
Responsible Agency: Office of the Chief Legislative Analyst
Financing: Departmental budget
Objective: Increase federal and state funds for housing.

P-7 **City-owned Land Inventory:** Develop an inventory of City-owned land that can be used for residential development.

Policy Addressed: 2.1.4
Responsible Agencies: Office of the City Admin. Officer, HPPD
Financing: Departmental budget
Objective: Develop listing of sites for possible residential development by 6/94.

P-8 **Multiple Family Demonstration Project:** Develop a demonstration project which illustrates that higher density projects which are attractive, compatible with their adjacent neighborhoods and provide amenities are socially beneficial.

Policy Addressed: 8.1.1
Responsible Agency: HPPD
Financing: Private sources, Community Development Block Grants, HOME
Objective: Develop program and identify funding sources by 6/94.

P-9

New Resources for Affordable Housing: Assess the feasibility of a range of potential new sources of revenues for affordable housing subsidy, including the following:

- 1) a one-time fee paid by owners of luxury apartment units to exempt their units from rent control;
- 2) sale of public assets such as tax-exempt bonds on the secondary market;
- 3) utility franchise taxes;

Policy Addressed: 2.1.2
Responsible Agency: HPPD
Financing: Department Budget

Objective: Conduct a feasibility study and submit recommendations with an ultimate resource generation target of \$100 million annually by 6/94.

P-10

Tax Exempt Financing for Rental Housing: Program to finance the construction of very low and market rate rental units with tax-exempt bonds.

Policy Addressed: 2.1.2
Responsible Agency: HPPD
Financing: Tax Exempt Bonds

Objective: Provide bond financing for approximately 120 very low income units and 300 market rate units annually.

P-11

Nonprofit Operating Support: A program to provide operating subsidies for six to ten nonprofit housing development organizations over a three-year period.

Policy Addressed: 2.1.2
Responsible Agency: CRA

Financing:	Tax Increment funds
Objective:	Provide funding for 6-10 organizations annually.

P-12 Down Payment for First-Time Homeownership Program: HPPD, in cooperation with private sector lenders, will develop a low down payment underwriting program for loans to first time home-buyers modeled after the FNMA Community Homeownership Program. This program will be designed to reduce qualifying incomes and credit required of home-buyers and will provide soft second (deferred payment) mortgages for down payments.

Policy Addressed:	5.2.2
Responsible Agency:	HPPD
Financing:	CDBG, HOME, Bond Proceeds
Objective:	Develop program guidelines and make approximately 100 loans to low and moderate income buyers annually.

P-13 Target Site Acquisition Program: HPPD will, in cooperation with private lenders, develop a joint site acquisition program for both rehabilitation and construction of new affordable units in designated areas of the City. Responsibility for funding this program will be divided between the City and private lenders with the City providing 30% of loan funds and banks 70%.

Policy Addressed:	2.1.2
Responsible Agency:	HPPD
Financing:	CDBG/HOME
Objective:	Develop program guidelines and operating procedure, identify properties and complete site acquisition of 5 properties annually.

P-14 Tax Waivers for Affordable Housing: Expedite Property Tax Waivers for Low Income Housing; California's Filante bill entitles nonprofit owners of low income housing to a waiver of property taxes on units whose tenants have qualifying incomes. However, many owners have encountered long delays in obtaining approval of these waivers. The City will work with the County Assessor's office to establish expedited processing of applications of Filante property tax waivers.

Policy Addressed:	3.1.3
-------------------	-------

Responsible Agencies: HPPD, County Assessor
Financing: CDBG, HOME

Objective: Develop and obtain approval of an expediting procedure and begin processing application by 6/94.

P-15 **Communities Program:** Design a multi-cultural public education program to inform City residents about the positive ways in which more intense housing development supports community services, improved transit, and recreation in order to build public support for increased density and more affordable housing production.

Policy Addressed: 5.1.6
Responsible Agencies: HPPD, Planning Dept.
Financing: Departmental Budget

Objective: Develop program and identify funding by 10/93

P-16 **Community Education Project:** Develop a brochure providing consumer information regarding housing programs identified in the CHAS, including phone numbers; and study the potential of "warm lines" that provide recorded information to consumers regarding key housing programs and presentations to the community.

Policy Addressed: 5.1.6
Responsible Agency: HPPD
Financing: Departmental Budget

Objective: Design and study "warm-line" concept. Make presentations to communities by 10/93.

P-17 **Long Term Affordability Standards:** Establish long-term affordability standards citywide; develop a realistic and balanced affordability policy that adjusts consistently and clearly to the continuum of City assistance levels in affordable housing--from expediting to density bonuses to tax-exempt financing to deep subsidy. Policies will address ownership as well as rental housing.

Policy Addressed: 1.2.1
Responsible Agencies: HPPD, CRA
Finance: Departmental Budget
Objective: Adopt Citywide standards by 10/93

P-18 Bidder's Resource Conservation Priority Program: Provide priority status and points for bidders responding to housing RFP's who incorporate resource conservation measures in project designs.

Policy Addressed: 9.1.1
Responsible Agency: HPPD
Finance: CDBG, HOME

Objective: Incorporate criteria and investigate appropriate city policy regarding resource conservation in housing by 6/94.

P-19 Linkage Fee: Enact a linkage ordinance assessing a housing mitigation fee on commercial, retail and industrial development. This fee will be based on a nexus study already conducted that establishes that new commercial and industrial development creates a need for new affordable housing for new employees.

Policies Addressed: 7.1.4, 7.1.7
Responsible Agency: HPPD
Finance: Linkage Fees

Objective: Complete the necessary studies and present to City Council by 6/93.

P-20 CRA Central Business District Tax Increment (CAP): The CRA will continue negotiations with the County of Los Angeles on an agreement to raise the cap on expenditures from revenues generated by the Community Redevelopment Agency's Central Business District redevelopment project. A significant portion of future revenues to be dedicated to affordable housing production.

Policy Addressed: 2.1.2
Responsible Agency: CRA
Financing: Departmental Budget

Objective: Conclude negotiations and develop allocation plan by 10/93.

P-21 **HOME Program:** Make available funds for multi-family rental housing construction and site acquisition, improvement and other expenses related to the provision of affordable housing.

Policy Addressed: 2.1.2
Responsible Agency: HPPD
Financing: HOME

Objective: The City anticipates receiving an allocation of approximately \$23 million. Support activities that will produce or preserve 850 new lower income units by 6/94.

PROGRAMS RELATED TO PRESERVATION

P-22 **Neighborhood Preservation Program:** administered directly by City staff, provides financial resources to rehabilitate single family homeownership and multifamily rental housing.

Policy Addressed: 1.1.1, 6.1.1, 6.1.6
Responsible Agencies: HPPD, HACLA
Financing: Private sources, Community Development Block Grants, Section 8 Moderate Rehabilitation, Section 8 Substantial Rehabilitation (a limited program administered by the Housing Authority of the City of Los Angeles [HACLA]), Section 312 Rehabilitation Loans, Section 510 Demonstration Loans, Seismic Safety Loans, Tax-Exempt Bond Financing

Objective: Rehabilitate 1,265 units annually.

P-23 **Homeowner's Encouragement Loan Program (HELP):** Provides rehabilitation loans to owners of small residential buildings (one to four units) to correct code violations.

Policies Addressed: 6.1.1, 6.1.2
Responsible Agency: HPPD
Financing: CDBG

Objective: Bring 100 single family units up to Code annually.

P-24

Contract Agency Program : Provides the same services as the Neighborhood Preservation Program but is administered by private organizations under contract to the City.

Policies Addressed:	6.1.1, 6.1.6
Responsible Agency:	HPPD
Financing:	Federal funds
Objective:	Rehabilitate 300 units annually.

P-25

HOPE Program: This program is targeted at combating poverty by establishing grant programs to provide multi- and single-family homeownership opportunities to existing tenants. Other programs provide aid for support services for the homeless, mentally ill, homeless substance abusers, families and the elderly.

Policy Addressed:	2.1.2
Responsible Agencies	HPPD, HACLA
Financing:	HOPE I, II, and III
Objective:	Apply for available funds by 6/94.

P-26

Residential Rehabilitation Loan Program: Makes funds available for the rehabilitation of lower income multi-family rental housing. The program is partially funded by the U.S. Department of Housing and Urban Development and requires matching funds from a private lender or the CRA as a last resort. The amount of each loan under this program and the repayment terms are based on project feasibility.

Policy Addressed:	6.1.1
Responsible Agency:	CRA
Financing:	Community Development Block Grants
Objective:	Complete rehabilitation of 768 units through 1992 and an additional 717 units by 6/94.

P-27 **Move-On Housing Program:** Provides loans to developers who wish to purchase vacant and foreclosed properties (1-4 units), or who wish to move and rehabilitate buildings which will provide housing for low and moderate income households. The Community Redevelopment Agency finances the moving and construction costs, providing technical assistance as necessary. Developers must provide the lot, the building, and an equity contribution.

Policies Addressed:	1.3.1, 5.1.2
Responsible Agency:	CRA
Financing:	Tax increment funds

Objective:	Provide loans for 24 units annually.
------------	--------------------------------------

P-28 **Seismic Safety Rehabilitation Loan Program:** Provide financial assistance for the rehabilitation or acquisition and rehabilitation of residential hotels and unreinforced masonry building, including SRO units. The loan funds may be used to bring buildings into full compliance with the City's Earthquake Hazard Reduction Ordinance and to correct other code violations. Funds, such as McKinney funds, may also be used for improvements which increase the livability of the facilities. Loans are targeted to the Central City East area of the Central Business District as well as to projects located in other CRA project and revitalization areas.

Policies Addressed:	1.3.1, 5.1.2, 6.1.4, 6.1.5
Responsible Agency:	CRA
Financing:	Tax increment funds

Objective:	CRA: Assist in the rehabilitation of 1,846 units units for very low and low income households through 1992 and an additional 1,272 units by 6/94. Rehabilitate 200 SRO units annually.
------------	--

P-29

Section 8 Housing Assistance Program: Provides housing assistance payments to private landlords on behalf of eligible families, senior citizens, homeless and disabled/handicapped persons

Policies Addressed:	1.2.1, 5.1.2
Responsible Agency:	HACLA
Financing:	Section 8 funds

Objective:	Issue an average of 26,000 certificates and vouchers annually through 1992. Increase the number of Section 8 certificates by 10 percent or approximately 1,650 for 1993 and 1994 pending HUD authorization and funding.
------------	---

P-30

Expiring Affordability Requirements: For Bond Projects and other locally financed developments; financed and other locally subsidized affordable housing projects which are required to meet rent and mortgage restrictions for a limited period of time and then revert to market rate. To preserve affordability, the program will refinance and refund units for owners that are willing to maintain long term affordability standards.

Policy Addressed:	1.2.1
Responsible Agencies:	HPPD, CRA
Financing:	Department Budget

Objective:	Establish a citywide strategy by 6/94.
------------	--

P-31

CRA Central Business District (CBD) Replacement Housing Plan: Established in 1990, this plan requires that all projects by private developers which involve housing demolition must submit a replacement housing plan prior to receiving a demolition permit. For replacement housing that will be located in the CBD, the plan must include a rent structure that is affordable for not less than thirty years with at least 1/3 of the units designated for very low income people and not more than 1/3 of the units designated for moderate income people. For replacement units that will be provided outside of the CBD, the plan must include one for one replacement at a monthly rent payment structure similar to that of the demolished building.

Policy Addressed:	1.3.1
Responsible Agency:	CRA
Finance:	Tax Increment Funds
Objective:	Incorporate effective policy aspects of CBD replacement Housing Plan into the City policies by 12/93.

P-32

Affordable Condominium Conversion Program: Provide financing and technical assistance in converting apartments to homeownership opportunities for low and moderate-income tenants. The program will require at least 70% of tenants interested and economically eligible to purchase their units and will provide non-purchasing tenants the right to continue to live in their units indefinitely at rent controlled rates.

Policies Addressed:	6.1.3, 2.1.9, 2.1.2
Responsible Agencies:	HPPD, Planning Department
Financing:	CDBG, HOME
Objective:	Convert approximately 65 units to condominiums affordable to low and moderate income people annually by 6/94.

P-33

Demolition Mitigation Program: Establish a task force to investigate feasibility of enacting regulations to control demolitions of affordable housing by revising CEQA guidelines to require mitigations of demolition of affordable housing and other alternatives.

Policy Addressed:	1.3.1
Responsible Agencies:	Planning Department, Office of City Attorney, Department of Building and Safety, CLA, HPPD
Financing:	Departmental budgets
Objective:	Establish task force and develop guidelines by 6/94 (Council File Nos 88-2209)

P-34

Slum Building Rehabilitation Program: Develop a program to rehabilitate slum buildings for affordable housing by non-profit developers. Implementation can be through expansion of Neighborhood Preservation Program or development of new program.

Policy Addressed:	6.1.1
Responsible Agency:	HPPD
Financing:	CDBG, HOME
Objective:	Design program and financing, work with Slumlord Task Force, Legal Aid and community organizations to identify 20 slum buildings that could be acquired under the program. Acquire 2 buildings totaling 150 units annually.

P-35

Mobilehome Preservation and Ownership Project: The City will provide technical assistance and financing to organized mobilehome park tenants who wish to collectively purchase their parks and retain them for affordable housing opportunities.

Policy Addressed:	6.1.8
Responsible Agency:	HPPD
Financing:	HPPD Budget, State HCD
Objective:	Begin inventory of the value, tenant compositions, and condition of the City's mobile home parks and design a program to preserve existing affordable housing by

P-36 SRO Preservation and Development Zoning: Study Zoning Code standards and land use designations to assess the impact of these regulations on the preservation and development of single room occupancy hotels (SRO's).

Policies Addressed: 1.3.1, 4.1.2, 5.1.2, 6.1.4
 Responsible Agencies: CRA, Planning Department, HPPD
 Financing: Departmental budget

Objective: Complete study of downtown SRO's as part of Downtown Strategic Plan by 6/93

P-37 Demolition/Relocation Program: Maintain the list of residential structures proposed for demolition and make available to individuals seeking to relocate these structures.

Policy Addressed: 1.3.1
 Responsible Agency: Building and Safety
 Financing: Departmental budget

Objective: Monitor annually

P-38 City Assistance for Public Housing Repairs: Seek additional funding from public and private sources to provide challenge grants that will be used to supplement HUD modernization funds to HACLA for rehabilitation efforts which meet the following criteria:

- a. Plans to train and employ public housing residents in the repairs;
- b. Substantial resident participation in selection of priorities;
- c. Investigation of entrepreneurial opportunities for residents to start businesses associated with rehabilitation of housing;
- d. Reduction of resident exposure to toxics.

Policy Addressed: 6.1.8
 Responsible Agency: HACLA
 Financing: Authority Budget

Objective: Develop program and identify developments for making challenge grants to rehabilitate housing by 6/94.

P-39

Historical Residence Inventory: Identify historically and architecturally significant residences, buildings, and neighborhoods and develop appropriate regulations to protect their distinguishing character in the update of the thirty-five community plans.

Policies Addressed:	6.2.1, 6.2.2
Responsible Agency:	Planning Department
Financing:	Departmental budget
Objective:	Develop criteria for inclusion in Community Plans by 6/94.

P-40

Illegal Unit Task Force: Convene a Task Force to establish workable habitability standards for accessory units that will permit landlords of accessory units to meet minimum habitability standards and provide decent affordable housing to low income people.

Policy Addressed:	1.1.1
Responsible Agencies:	Planning, Fire, Police, Public Works, Sanitation, Building and Safety, HPPD and community participants
Financing:	Departmental Budget
Objective:	Establish guidelines and convene task force by 6/94.

P-41

Slumlord Task Force: The City Attorney's Office works with the Los Angeles County Department of Health Services, and the City Departments of Building and Safety and Fire to target slum properties for inspection and potential criminal prosecution. Investigate feasibility of expanding program strategies to include: 1) Escalate fine system and increase prosecution efforts for slum buildings; 2) receivership program for slum buildings; and 3) Apartment Rescue Program.

Policy Addressed:	5.1.5
Responsible Agencies:	Office of City Attorney, Department of Building and Safety, Fire Department
Financing:	Departmental Budget
Objective:	Ongoing

P-42 **Historic Preservation Project:** Program identifies affordable housing opportunities in historic preservation projects as well as preservation opportunities for affordable housing developments.

Policies Addressed: 5.1.2, 6.2.1
Responsible Agencies: HPPD, Planning Department
Finance: CDBG, HOME

Objective: The Planning Dept. will identify existing affordable housing within historic preservation overlay zones and buildings which have been given cultural heritage or National Historic Registry designations and begin designing preservation training program by 6/94.

P-43 **Citywide and Downtown SRO Demolition Moratoria:** There are presently two moratoria which prevent the demolition of SRO buildings.

Policies Addressed: 1.3.1, 5.1.2, 6.1.4
Responsible Agencies: HPPD, Planning
Finance: Departmental Budget

Objective: Extend City moratorium for 1 year and design alternative preservation strategies by 10/93.

P-44 **Housing Authority Move-On Program:** Under the City's "15% Ordinance" the Housing Authority has the first right of refusal to acquire existing structures on sites proposed for newly built apartments and condominiums. In cases where a developer wishes to build on property presently improved with a residential structure, the owner must first offer the building to the Housing Authority for removal to Housing Authority Property. In such case, the owner is responsible for up to \$25,000 of the moving costs. Remaining rehabilitation and relocation funding is available from the Community Redevelopment Agency on a limited basis.

Policy Addressed: 5.1.2
Responsible Agencies: HACLA, CRA, HPPD
Finance: CRA Budget

Objective: Conduct feasibility study and pilot move-on

project with 10 to 15 units by 10/93.

P-45

Distressed Properties Program: Funds three nonprofits to contact owners of one to four unit properties cited under the City's Contract Nuisance Abatement or Operation Rebuild Programs with the intent of providing financial assistance to rehabilitate and preserve their properties, or build new affordable housing on sites vacated as a result of demolition. Originally funded as a six month pilot, the program focuses on communities in South Central and East Los Angeles and provides an opportunity for nonprofits to acquire and improve distressed properties and resell them to low and moderate income households.

Policy Addressed: 1.3.1

Responsible Agency: HPPD

Finance: CDBG, HOME

Objective: Rehab, preserve or replace 100 units annually.

P-46

Citywide Seismic Unit Preservation Strategy: Develop a Citywide strategy and task force to preserve seismically deficient affordable housing, which includes code revisions and expansion of purchase and rehabilitation programs.

Policy Addressed: 6.1.5

Responsible Agency: HPPD

Finance: Departmental Budget

Objective: Perform analysis of non-compliant buildings. Identify 3,000 units in at-risk buildings and link them with appropriate City programs and begin to amend seismic code to limit demolition by 10/93.

P-47

Monitor Impact of Assisted Reinforced Brick Buildings: The city currently assists the rehabilitation of unreinforced masonry units but needs more data on the impact of this assistance.

Policy Addressed: 6.1.5

Responsible Agency: HPPD

Finance : Department Budget

Objective: Maintain data on city assisted seismic rehabilitation in City's affordable Housing

Data Base and assess effectiveness of program by 10/93.

P-48 Resolution Trust Corporation Purchase Program: Inventory available multi-family developments within City of Los Angeles owned by RTC, Los Angeles County and other agencies. Propose purchase program by City and non-profit housing agencies.

Policy Addressed:	1.3.4
Responsible Agencies:	HPPD, CRA, HACLA
Financing:	CDBG, HOME, Tax Increment
Objective:	Conduct study and develop a program by 6/94.

PROGRAMS RELATED TO SPECIAL NEEDS

P-49 Transitional Housing for the Homeless: Low interest or deferred loans to rehabilitate housing for the homeless and those with special needs.

Policies Addressed:	2.1.8, 5.1.2
Responsible Agencies:	CRA, HPPD, CDD
Financing:	Tax increment funds, state and federal funds
Objective:	CRA: Provide assistance for 100 beds/units annually. CDD: Assist City homeless agencies in applying for 5-year grants for request of at least \$50,000 by 6/94. Match funds for requests.

P-50 Housing Opportunities for Persons with AIDS: This new federal program provides social service funds for a variety of programs serving persons with AIDS including housing information and coordination services, short-term supported housing and services for homeless persons with AIDS, short-term rental assistance, and community (multi-unit) residences and services. Research other sources of funds for transitional housing.

Policy Addressed:	5.1.2
Responsible Agency:	CDD, Housing
Financing:	CDBG, CRA

Objective: Develop program for \$250,000 available from Redevelopment funds by 6/93.

P-51 **Housing for Persons with AIDS (Existing):** HPPD includes funding for housing for persons with AIDS under its 10% special needs set aside and the Community Development and Community Redevelopment Agency provide loans for purchase, rehabilitation or new construction of housing for persons with AIDS.

Policy Addressed: 5.1.2
Responsible Agencies: HPPD, CDD, CRA
Financing: CDBG - HOME

Objective: HPPD: Finance production of at least 20 low income units annually.
CRA/CDD: Finance production or rehabilitation of 20 low income units annually.

P-52 **Emergency Community Services Homeless Program:** Funds used to provide homeless prevention services and to pay specific operating and social services expenses in connection with homeless shelters.

Policies Addressed: 2.1.8, 5.1.2
Responsible Agency: CDD
Financing: Stewart B. McKinney Homeless Assistance Act; State Department of Economic Opportunity

Objective: Provide \$2,000,000 annually for 29-35 facilities with approx. 1,070 beds.

P- 53 **Mobile Homes Transitional Housing:** Six months of transitional housing for families with children is provided in trailers situated on Housing Authority sites with services provided by community based service agencies and property management provided by the Housing Authority.

Policy Addressed: 2.1.8
Responsible Agencies: HACLA, CDD
Financing: CRA

Objective: Continue operation of at least 52 trailers and

services to a minimum of 100 families by 6/94.

P-54 State Homeless Assistance Program: Provides homeless families with funds for up to 16 days emergency shelter in a motel and move-in expenses for permanent housing. Funds are a mix of state and federal dollars.

Policy Addressed: 2.1.8
Responsible Agencies: CDD, County DPSS
Financing: CDBG

Objective: Provide shelter assistance for approximately 6,000 homeless families annually

P-55 Single Adult Transitional Housing: Program that funds transitional housing with supportive services for single adults.

Policies Addressed: 2.1.8, 5.1.2
Responsible Agency: CDD
Financing: To be determined

Objective: Provide pre-development funds for 100 low or very low units annually.

P-56 Disabled Policies Statement: The City shall study and present a policy to ensure accessible housing at levels affordable for the disabled.

Policy Addressed: 5.1.2
Responsible Agencies: Commission on Disability, Affordable Housing Commission
Financing: Mayor's Office of Disability

Objective: Present policy for Council approval by 1/93.

P-57 Elderly/Disabled Clearinghouse: Devise and administer a program which would provide a clearinghouse to match landlords who have publicly assisted housing available with elderly or disabled persons who qualify for publicly assisted housing.

Policy Addressed: 5.1.2
Responsible Agencies: Department of Aging, Mayor's Office of the Disabled

Financing:	State & Federal funds
Objective:	Complete & begin disseminating information by 6/94

P-58 Shared Living Quarters Assistance Program: Investigate expansion of existing social service programs, or development of new program which assists individuals seeking shared living quarters.

Policies Addressed:	2.1.9, 5.1.2
Responsible Agency:	CDD
Financing:	Departmental budget
Objective:	Continue funding for shared housing programs and provide referral services to 500 persons annually.

P-59 Local Disabled Access Legislation: Investigate feasibility of adopting local legislation to expand California Title 24 and Federal Fair Housing Amendment Act to increase number of adaptive/accessible units in all multiple residential units.

Policies Addressed:	5.1.2, 5.1.3
Responsible Agencies:	Los Angeles City Commission on Disability, Planning, Building and Safety, Mayor's Office
Financing:	Departmental budgets
Objective:	Ordinance to be presented to Council by 6/94.

P-60 Community Reinvestment Act Monitoring: Monitor financial institution compliance with the Community Reinvestment Act.

Policies Addressed:	5.1.5, 5.2.1
Responsible Agencies:	City Treasurer, City Attorney, HPPD, CLA, CDD, Controller
Financing:	Departmental budgets
Objective:	Funding for program will take place by 6/94. Program will become ongoing.

P-61 Citywide Legislative Policies on the Homeless: Implement City's Legislative Policies on the Homeless, including identification of temporary inclement weather shelters, and provision of services for the homeless shelters.

Policies Addressed: 2.1.8, 5.1.2
Responsible Agencies: CDD, Planning, Building and Safety, HPPD, Office of the Mayor, CLA, CAO, LAPD

Financing: Departmental budgets

Objective: Provide 75,000 shelter bed-nights, 145,000 meals, and 6,000 units of service yearly.

P-62 HOPE for Elderly Independence: The federal government has created a new Section 8 program that pays for both a rent supplement and necessary supportive services for elderly households. In FY 92 Congress authorized funds for 1500 certificates and vouchers for the entire country.

Policy Addressed: 5.1.2
Responsible Agency: HACLA
Financing: HUD

Objective: Apply for 150 Section 8 certificates and vouchers annually.

P-63 Supportive Housing Production for the Elderly: The federal Section 202 Direct Loan Program has been revised to include supportive services as well as housing for projects serving seniors and the disabled. Non-profit developers will be encouraged to apply for funds.

Policy Addressed: 5.1.2
Responsible Agencies: HPPD, Dept. of Aging
Financing: Section 202

Objective: Encourage development and provide technical assistance to nonprofit developers to develop at least two supportive housing

projects, or at least 40 units annually.

P-64 Affordable Facilities for the Frail Elderly: Estimate the need for supportive housing for the frail elderly and develop a housing program for the frail elderly that includes technical assistance for community housing developers and a set aside for the frail elderly in affordable housing production programs.

Policy Addressed: 5.1.2
Responsible Agencies: HPPD, Dept. of Aging
Financing: CDBG

Objective: Fund a minimum of 40 units annually in developments that provide housing and services for the frail elderly.

P-65 Supportive Housing Program: Department of Mental Health has funds for contracting with two nonprofit housing developers to work with community based mental health providers to develop permanent housing for the mentally ill.

Policy Addressed: 5.1.2
Responsible Agency: Los Angeles County Department of
Mental Health
Financing: Department Budget

Objective: Provide at least 7 mental health providers with funding to complete 93 units by 6/93 and an additional 100 units by 6/94.

P-66 Homeless Prevention Program: Homeless assistance program includes a request for proposals to provide homeless prevention services.

Policy Addressed: 5.1.2
Responsible Agency: CDD
Financing: Departmental Budget

Objective: Provide assistance to 500 households annually.

P-67

Lending Discrimination Testing: This program will contract with Fair Housing or other experienced groups to implement "testing" programs in lending with a goal of following through with legal challenges against institutions which practice discrimination in lending.

Policy Addressed:	5.1.1
Responsible Agency:	HPPD
Finance:	CDBG
Objective:	Issue RFP and contract for fair lending testing project and begin evaluating results by 10/93.

P-68

Linked Deposit Ordinance: Program to require information from banks where City has deposits regarding their Community Reinvestment Act performance in the housing arena; use this information as a basis for selecting financial institutions for housing programs; and, will support the establishment of a City-wide Linked Deposit Ordinance.

Policy Addressed:	5.2.1
Responsible Agencies:	Controller, Mayor's Office
Finance:	Departmental Budget
Objective:	Initiate bank survey. Implement housing program linked deposit policy. Support citywide deposit policy and begin evaluating impact by 10/93.

P-69

Child Care Facility Assessment: Conduct an assessment of the quantity and distribution of the City's child care facilities and develop a methodology for determining the need for additional child care capacity created when new family units are constructed in a neighborhood. Study child care needs in relationship to housing production.

Policy Addressed:	7.1.2
Responsible Agencies:	Personnel Department Child Care Task Force, HPPD, CDD, Planning
Finance:	Departmental Budgets

Objective:

Begin assessment and distribute available information by 10/93.

PROGRAMS RELATED TO LAND USE AND PLANNING

- P-70 FAR Zoning:** Assess the impact of a change in the method of calculating allowed multiple residential densities from a system based on units per acre to one that combines floor area ratios with performance standards within multi-family zones and study the feasibility of expanding Downtown Transfer of Floor Area Ratio (TFAR) to other areas of the City.

Policy Addressed: 3.1.1
Responsible Agencies: Planning Department, HPPD, CRA
Financing: Departmental Budget

Objective: Complete study by 12/93.

- P-71 Hillside Ordinance:** Evaluate adopted citywide regulations which establish uniform design standards, including building height, setback, lot coverage and safety and access criteria, in hillside areas.

Policy Addressed: 6.3.3
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Evaluate impact of Ordinance by 6/94.

- P-72 Inclusionary Zoning Districts:** Identify locations and criteria to create inclusionary zoning districts (center study areas, redevelopment areas, enterprise zones, specific plans, overlay zones, new zones) where some proportion of the housing would be required to be affordable.

Policies Addressed: 2.1.1, 2.1.5, 5.1.4
Responsible Agencies: Planning Department and HPPD
Financing: Departmental Budget

Objective: Make recommendations to Planning Commission by 6/93. General Plan Framework will identify method and policy.

P-73

Fair Share Allocation: Develop a program to distribute the SCAG 20-year projections of housing needs by income level for each Master Environmental Impact Report (MEIR) area. Distribute these projections to community plan areas through the Framework and CPR Programs. Ensure that there is no net loss of capacity in community plan areas. If there is a proposed action to reduce zoning capacity in certain areas, an equal amount of capacity shall be added within the area, with a preference for locating housing in high activity centers and transportation corridors.

Policies Addressed: 2.1.1, 2.1.5, 5.1.4
Responsible Agencies: Planning Department, SCAG, HPPD
Financing: Departmental Budget

Objective: Develop and refine model through the General Plan Framework by 6/94.

P-74

Anti-discrimination Legislation: Adopt a City Planning Commission policy to require anti-discrimination clauses as a condition of subdivision map approval.

Policies Addressed: 5.1.1, 5.1.2, 5.1.4
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Submit policy to Planning Commission for approval by 6/94

P-75

Code Design Standards: Maintain existing design standards as adopted in the Site Plan Review Ordinance Guidelines which will enhance neighborhoods, through attractive housing design and provision of amenities.

Policy Addressed: 8.2.1
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Ongoing

P-76 **Mixed Use Program:** Assess effectiveness of the current mixed use ordinance, identify structural and financial barriers to development of projects incorporating residential with commercial development. Create housing overlay zone along deteriorated or underutilized commercial zones. Develop incentives for the construction of residential projects in tandem with new commercial projects to encourage mixed use development.

Policies Addressed: 7.1.4, 7.1.5, 7.1.6, 7.1.7
Responsible Agencies: Planning Department, HPPD
Financing: Departmental Budget

Objective: Mixed Use Ordinance was approved and became effective on 12/27/91. Begin study and make recommendations for changes to ordinances by 12/93.

P-77 **Innovative Multiple Family Housing Projects:** Report on the feasibility of amending the building and zoning codes to allow innovative multiple family housing configurations which incorporate concepts of shared housing, larger units and group quarters, with parking standards reduction and to the feasibility of incorporating open space requirements for units serving large families with children.

Policies Addressed: 2.1.1, 5.1.2, 5.1.7, 8.1.1, 8.2.1
Responsible Agencies: Planning, Building and Safety, HPPD
Financing: Departmental Budget

Objective: Convene task force and draft proposal to Planning Commission by 12/93.

P-78 **Jobs/Housing Analysis Areas:** Promote and develop on a regional and Citywide level the formation of targeted growth analysis areas and consider means to require large projects and employers to participate in jobs/housing balance programs in those areas.

Policies Addressed: 7.1.3, 7.1.4, 7.1.5, 7.1.7
Responsible Agencies: Planning Department, HPPD
Financing: Departmental Budget

Objective: To be completed through Citywide Framework by 6/94.

P-79

Coastal Zone Monitoring Program: Monitor new construction, conversion, and demolition in the coastal areas of the City and develop a housing policy in conformance with the Mello Act.

Policy Addressed:	1.3.3
Responsible Agencies:	Planning Department, HPPD
Financing:	Departmental Budget
Objective:	Develop mechanism to monitor development by 6/94 through the General Plan Framework.

P-80

Model Environmental Village: Develop a model program similar to the ecological urban village conceptual plan which demonstrates sustainable neighborhood development in which physical, social and economic systems are effectively integrated.

Policies Addressed:	2.1.1, 7.1.2, 7.1.4, 8.1.1, 8.2.1, 9.1.1
Responsible Agencies:	Office of the Mayor, HPPD, Planning, Building and Safety, CRA, Environmental Affairs Department
Financing:	Private sources, tax-exempt bond financing, DWP Conservation Program, Neighborhood Reinvestment Corporation, Innovative Housing Funds, State and National Funds, Departmental budgets.
Objective:	Program will be incorporated by sustainable Environmental Council by 6/94.

P-81

Increased Density for Affordable Housing: When calculating dwelling units for affordable housing developments allowed under existing zones, fractions over 0.5 will be rounded upwards in order to add an additional unit.

Policies Addressed:	3.1.1, 3.1.2
Responsible Agencies:	Planning, Building and Safety
Financing:	Departmental Budget
Objective:	Ongoing

P-82

Housing Impact Provision: Assess on an ongoing basis the impact of all proposed zoning regulations and development standards on the cost and supply of the City's housing stock. Staff will then develop procedures to evaluate reductions in density to be consistent with RHNA.

Policy Addressed: 4.1.3

Responsible Agencies: Planning, HPPD

Financing: Departmental Budget

Objective: Submit policy to Planning Commission for approval by 6/93.

P-83

Second Dwelling Overlay Zone & Amendment to Second Dwelling Unit Ordinance: Devise an ordinance that allows the creation of an additional dwelling unit on each lot in neighborhoods where "shadow" housing is a predominant land use pattern. Yard setbacks and adequate parking should be considered.

Policies Addressed: 2.1.7, 3.1.1

Responsible Agencies: Planning, Building and Safety, HPPD

Financing: Departmental Budget

Objective: Begin study and submit revised ordinance to Planning Commission by 10/93.

P-84

Land Inventory: Complete an inventory of land use and compare it to zoning capacity and make adjustments to meet the City's share of the regional housing need. Direct new housing to major activity centers and transportation corridors and coordinate with the Citywide General Plan Framework and the City's Rail Corridor Policies in order to reduce congestion and related environmental impacts. Focus significant future growth of the City around transit stations where infrastructure can best accommodate it.

Policies Addressed: 2.1.1, 2.2.1, 2.2.2

Responsible Agency: Planning

Financing: Departmental Budget

Objective: Develop inventory through General Plan Framework by 6/94

P-85 **Consolidated Public Hearings:** Facilitate discretionary review process of affordable housing projects by consolidating public hearings and reducing processing time.

Policy Addressed: 4.1.1
Responsible Agencies: Planning Dept, Mayor's Office, HPPD
Financing: Departmental Budget .

Objective: Assess effectiveness of
consolidating hearings by 6/94

P-86 **Housing Over Parking Lots:** Draft an ordinance or other alternative to allow construction of housing projects above public and private parking lots.

Policies Addressed: 2.1.1, 2.1.3
Responsible Agencies: Planning Department, HPPD
Financing: Departmental Budget

Objective: Begin study and submit ordinance or other
alternatives for consideration by Planning
Commission by 6/94

P-87 **Home Occupations and Telecommuting:** Adopt an ordinance with specific performance criteria to permit home occupations in residential zones, and extend City's Telecommuting Pilot Project.

Policy Addressed: 7.1.8
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Begin study and submit ordinance or other
alternatives for consideration by Planning
Commission by 6/94

P-88 **Mobilehome Park Zone:** Effectuate the City's "RMP" Mobilehome Park Zone by rezoning the 62 mobile home sites in the City to RMP.

Policy Addressed: 6.1.8
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Complete zone changes and Planning Commission approval by 6/94.

P-89 **Affordable Housing Fee Task Force:** Continue work of task force to assess the impacts and develop recommendations for fee waivers or fee deferments for affordable housing developments.

Policy Addressed: 3.1.3
Responsible Agencies: Planning Department, Building and Safety, HPPD, Mayor's Office
Financing: Departmental Budgets

Objective: Begin developing guidelines and
 submit proposal to Planning Commission by 6/94.

P-90 **Citywide General Plan Framework:** Establish a citywide land use document which encourages affordable housing and development predictability. Investigate and recommend policies to accommodate projected growth. Accommodate housing for special needs groups along bus transportation corridors and near station stops.

Policy Addressed: 7.1.1
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Complete land capacity study by October 1993. Complete General Plan Framework and submit to City Council by 11/94.

P-91

Flexible Siting Program: Utilize Zoning Code provisions to allow flexibility in siting of structure on lots to permit maximum energy efficiency.

Policy Addressed:	9.1.1
Responsible Agency:	Planning Department
Financing:	Departmental Budget
Objective:	Evaluate provisions to facilitate maximum energy efficient siting by 2/94

P-92

Mayor's Office Affordable Housing Expediting Program: Pursuant to the Mayor's Directive, City Departments of Planning and Building and Safety shall expedite applications for housing developments affordable to very low and low income households.

Policy Addressed:	4.1.2
Responsible Agencies:	Mayor's Housing Coordinator, Planning, Building and Safety, HPPD
Financing:	Departmental Budgets
Objective:	Evaluate effectiveness annually

P-93

CBD Housing Program: Assess amendment to Los Angeles City Planning and Zoning Code to remove density limitations on housing in South Park and the Central Business District.

Policy Addressed:	7.1.9
Responsible Agencies:	CRA, Planning
Financing:	Departmental Budgets
Objective:	Begin & complete implementation by 6/94.

P-94 Density Bonus Ordinance: Enact a density bonus ordinance establishing procedures for obtaining a density bonus and at least one additional incentive. Procedures should include provisions for density increases by right without public hearings when feasible. Evaluate eliminating any required guest parking.

Policies Addressed: 3.1.1, 3.1.2
Responsible Agencies: Planning, HPPD
Financing: Departmental Budget

Objective: Begin study and submit ordinance for CPC consideration by 6/94

P-95 Reduce Processing Delays: Create a task force to develop recommendations to reduce processing times for housing development taking into account the Zucker audit recommendations.

Policy Addressed: 4.1.3
Responsible Agencies: Planning, Building and Safety, HPPD
Financing: Departmental Budget

Objective: Begin formation of task force by 6/93 and submit proposal by 6/94.

P-96 Expedite Site Plan Review: Maintain expedited processing of Site Plan Review.

Policy Addressed: 4.1.3
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Evaluate effectiveness by 6/93

P-97 Zero Lot Line: Utilize existing Planning standards to implement zero lot lines where housing is allowed to be placed on a property line.

Policy Addressed: 3.1.1
Responsible Agency: Planning Department
Financing: Departmental Budget

Objective: Evaluate effectiveness by 12/94

- P-98 **Reduce CEQA Delays:** Continue to investigate and implement methods to improve and expedite CEQA process.
- Policy Addressed: 4.1.3
 Responsible Agency: Planning Department
 Financing: Departmental Budget
- Objective: Complete recommendations and present to Planning Commission by 6/93
-
- P-99 **Parking Study:** Investigate the feasibility of amending the City's parking requirements to increase affordable housing opportunities.
- Policies Addressed: 3.1.1, 3.1.2
 Responsible Agency: Planning Department
 Financing: Departmental Budget
- Objective: Submit recommendations to Planning Commission for approval by 6/94.
-
- P-100 **CPR Neighborhood Identification Process:** In the Community Plan Revision process, identify stable neighborhoods which should be preserved at their present densities.
- Policy Addressed: 6.3.1
 Responsible Agency: Planning Department
 Financing: Departmental Budget
- Objective: Submit procedures to CPC by 6/94.
-
- P-101 **Slope Density Ordinance:** Revise Community Plans to indicate that the provisions of the Slope Density Ordinance applies to all plan areas where appropriate.
- Policy Addressed: 6.3.3
 Responsible Agency: Planning Department
 Financing: Departmental Budget
- Objective: Evaluate impact on housing production by 6/94.

TABLE 32
HOUSING PROGRAM SUMMARY

Pgm	Program Name	Lead Agency	5-Year Planning Objective (7/1/89 to 6/30/94 unless noted otherwise)
<u>Housing Production Programs</u>			
P-1	Bond Financing for Ownership Units	CRA	HPPD 650 homes, CRA 50 units, annually
P-2	Conventional Housing Program	HACLA	Build 70 additional dwelling units by 1994
P-3	Homeownership Loan Program	CRA	Devel 446 new units during the FY 93/94
P-4	Congregate Services Program	CDD	Fund at least 40 very low units annually
P-5	Family / Large Family Program	CRA	Constr 2,387 thru 1992; 1,242 more by 6/94
P-6	Innovative Tax Lobbyist Program	CLA	Ongoing
P-7	City-Owned Land Inventory	CAO	Develop listing of sites by 6/94
P-8	Multiple Family Demonstration Project	HPPD	Devel pgm and identify fund sources by 6/94
P-9	New Resources for Affordable Hsg	HPPD	Study & recom for \$100 mil annually by 6/94
P-10	Tax Exempt Financing for Rental Hsg	HPPD	Finance 120 vy low and 300 market annually
P-11	Nonprofit Operating Support	CRA	Fund 6 to 10 organizations annually
P-12	Down Pmt First-Time Homeowner Pgm	HPPD	100 loans to low and mod buyers annually
P-13	Target Site Acquisition Program	HPPD	Devel pgm and acquire 5 sites annually
P-14	Tax Waivers for Affordable Housing	HPPD	Begin processing applications by 6/94
P-15	Communities Program	HPPD	Develop pgm and identify funding by 10/93
P-16	Community Education Project	HPPD	Study "warm line", present to comty by 10/93
P-17	Long Term Affordability Standards	HPPD	Adopt citywide standards by 10/93
P-18	Bidders Resource Conserv Priority Pgm	HPPD	Incorp criteria & investigate policy by 6/94
P-19	Linkage Fee	HPPD	Complete studies, present to Council by 6/94
P-20	CRA CBD Tax Increment (CAP)	CRA	Conclude nego & develo alloc plan by 10/93
P-21	HOME Program	HPPD	Produce or preserve 850 units by 6/94
<u>Housing Preservation Programs</u>			
P-22	Neighborhood Preservation Program	HPPD	Rehab 1,265 units annually
P-23	Homeowner's Encouragemt Loan Pgm	HPPD	Bring 100 1-family homes to Code annually
P-24	Contract Agency Program	HPPD	Rehabilitate 300 units annually
P-25	HOPE Program	HPPD	Apply for available funds by 6/94
P-26	Resid Rehabilitation Loan Program	CRA	Rehab 768 thru 1992; 717 more by 6/94
P-27	Move-on Housing Program	CRA	Provide loans for 24 units annually
P-28	Seismic Safety Rehab Loan Program	CRA	Rehab 1,846 thru 1992; 1,272 more by 6/94
P-29	Section 8 Housing Assistance Pgm	HACLA	Issue 27,650 Sec 8 certs annually, 93 & 94
P-30	Expiring Affordability Requiremts	HPPD	Establish a citywide strategy by 6/94
P-31	CRA CBD Replacement Housing Plan	CRA	Incorp CBD Hsg Plan policies by 12/93
P-32	Tenant Purchase Ordinance: Condos	HPPD	Convert 65 units to afford condos by 6/94
P-33	Demolition Mitigation Program	Plng	Etab task force and guidelines by 6/94
P-34	Slum Building Rehab Program	HPPD	Acquire 2 buildings (150 units) annually
P-35	Mobile Home Preserv & Ownership	HPPD	Inventory and program design by 6/94

TABLE 32: HOUSING PROGRAM SUMMARY (Continued)

Pgm	Program Name	Lead Agency	5-Year Planning Objective (7/1/89 to 6/30/94 unless noted otherwise)
P-36	SRO Preservatn and Developmt Zoning	CRA	Study SRO's in Downtown Plan by 6/94
P-37	Demolition/Relocation Program	B&S	Ongoing
P-38	City Assist for Public Hsg Repairs	HACLA	Identify devels for challenge grants by 6/94
P-39	Historical Residence Inventory	Plng	Devel criteria for incl in Comty Pln by 6/94
P-40	Illegal Unit Task Force	Plng	Guidelines and convene task force by 6/94
P-41	Slumlord Task Force	Atty	Ongoing
P-42	Historic Preservation Project	HPPD	Identify bldgs and begin pgm design by 6/94
P-43	City & CBD SRO Demolition Moratoria	HPPD	Extend morat 1 yr & design strategy by 10/93
P-44	Housing Authority Move-on Program	HACLA	Feas study & move-on 10-15 units by 10/93
P-45	Distressed Properties Program	HPPD	Rehab preserve or replace 100 units annually
P-46	Citywide Seismic Unit Preservation	HPPD	Ident 3,000 units, begin amend code by 10/93
P-47	Monitor and Reinforce Brick Bldgs	HPPD	Maintain data base and assess by 10/93
P-48	Resol Trust Corp Purchase Pgm	HPPD	Conduct study and develop program by 6/94
<u>Special Needs Programs</u>			
P-49	Transitional Housing for the Homeless	CRA	CRA assist 100 beds, CDD grant app by 6/94
P-50	Hsg Oppty for Persons with AIDS	CDD	Develop pgm for \$250,000 Redev funds by 6/94
P-51	Housing for Persons with AIDS	HPPD	CDBG 20 new, CDD 20 new or rehab, annually
P-52	Emerg Comty Services Homeless Pgm	CDD	Provide \$2 mil for 29 facilities annually
P-53	Mobile Homes Transitional Housing	HACLA	Operate 52 trailers serving 200 fams by 6/94
P-54	State Homeless Assistance Program	CDD	Shelter assistance for 6,000 fams. annually
P-55	Single Adult Transitional Housing	CDD	Pre-devel funds for 100 low/vy low annually
P-56	Disabled Policy Statement	Cmn/Dis	Present policy for Council approval by 1/93
P-57	Elderly/Disabled Clearinghouse	Aging	Begin disseminating information by 6/94
P-58	Shared Living Qtrs Assistance Pgm	CDD	Contin funding & refer 500 persons annually
P-59	Local Disabled Access Legislation	Cmn/Dis	Ordinance to Council by 6/94
P-60	Comty Reinvestment Act Monitoring	Treas	Fund program by 6/94, then ongoing
P-61	Citywide Legis Policy on Homeless	CDD	75,000 bednights, 145,000 meals etc. yearly
P-62	HOPE for Elderly Independence	HACLA	Apply for 150 Sec 8 certs/vouchers annually
P-63	Supportive Elderly Hsg Production	HPPD	Tech assist for 2 projects (40u) annually
P-64	Afford Facils for Frail Elderly	HPPD	Fund 40 units annually
P-65	Supportive Housing Pgm for Elderly	County	Fund 93 units by 6/93, 100 more by 6/94
P-66	Homeless Prevention Program	CDD	Provide assist to 500 households by 6/94
P-67	Lending Discrimination Testing	HPPD	Contract and begin eval results by 10/93
P-68	Linked Deposit Ordinance	Contrl	Survey banks, implem & begin eval by 10/93
P-69	Child Care Facility Assessment	Pers	Begin assessment & distribute info by 10/93

TABLE 32: HOUSING PROGRAM SUMMARY (Continued)

Pgm	Program Name	Lead Agency	5-Year Planning Objective (7/1/89 to 6/30/94 unless noted otherwise)
<u>Land Use and Planning Programs</u>			
P-70	FAR Zoning	Plng	Complete study by 12/93
P-71	Hillside Ordinance	Plng	Evaluate impact of ordinance by 6/94
P-72	Inclusionary Zoning Districts	Plng	Task force recoms to Plng Comn by 6/93
P-73	Fair Share Allocation	Plng	Develop model through GP Framework by 6/93
P-74	Anti-discrimination Legislation	Plng	Submit policy to Plng Comn for apvl by 6/94
P-75	Code Design Standards	Plng	Ongoing
P-76	Mixed Use Program	Plng	Begin study and make recoms by 6/93
P-77	Innovative Multiple Fam Hsg Projects	Plng	Task force proposal to Plng Cmsn by 12/93
P-78	Jobs/Housing Analysis Areas	Plng	Complete through Framework by 6/94
P-79	Coastal Zone Monitoring Program	Plng	Develop pgm through Framework by 6/94
P-80	Model Environmental Village	Mayor	Sustainable Envir Council incorp pgm by 6/94
P-81	Increased Density for Afford Hsg	Plng	Ongoing
P-82	Housing Impact Provision	Plng	Submit policy to Plng Comn for apvl by 6/93
P-83	Second Dwelling Unit Study	Plng	Submit ordinance to Plng Comn by 10/93
P-84	Land Inventory	Plng	Devel inventory through GP Framework by 6/94
P-85	Consolidated Public Hearings	Plng	Ongoing
P-86	Housing Over Parking Lots	Plng	Submit ordinance to Plng Cmsn by 6/94
P-87	Home Occupations and Telecommuting	Plng	Submit ordinance to Plng Cmsn by 6/94
P-88	Mobilehome Park Zone	Plng	Complete zone changes by Plng Cmsn by 6/94
P-89	Affordable Housing Fee Task Force	Plng	Submit proposal to Plng Cmsn by 6/94
P-90	Citywide General Plan Framework	Plng	Capacity study by 10/93, all to Ccl by 11/94
P-91	Flexible Siting Program	Plng	Ongoing
P-92	Mayor's Affordable Hsg Expediting	Mayor	Ongoing
P-93	CBD Housing Program	CRA	Begin implementation by 6/94
P-94	Density Bonus Ordinance	Plng	Study and submit ordinance to CPC by 6/94
P-95	Reduce Processing Delays	Plng	Begin task force by 6/93, proposal by 6/94
P-96	Expedite Site Plan Review	Plng	Ongoing
P-97	Zero Lot Line	Plng	Ongoing
P-98	Reduce CEQA Delays	Plng	Ongoing
P-99	Parking Study	Plng	Submit recoms to Plng Comsn for apvl by 6/94
P-100	CPR Neighborhood Identif Process	Plng	Submit procedures to CPC by 6/94
P-101	Slope Density Study	Plng	Evaluate impact on housing production by 6/94

CHAPTER VII - REVIEW AND EVALUATION

EVALUATION OF THE 1986 HOUSING PLAN

California Government Code Sections 65588 a) and b) require each jurisdiction to review its Housing Element every five years to evaluate the following:

1. The appropriateness of housing goals, objectives and policies.
2. The effectiveness of the Element in attainment of the housing goals and objectives.
3. Progress in implementation of the Element.

Four major goals were identified in the 1986 Element and formed the basis for nine overall housing objectives:

1. Providing adequate housing for all socio-economic groups in the City;
2. Improving the existing housing stock;
3. Maximizing the accessibility of future housing; and,
4. Improving coordination of housing information and services.

The 1986 Housing Plan contained objectives designed to encourage the provision of an

adequate supply of existing and new housing with emphasis on rental units, especially for the low- and moderate- income and special needs segments of the City's population while encouraging improvement and conservation of existing neighborhoods.

The 1986 Housing Element proposed the implementation of programs and redevelopment/ revitalization projects, neighborhood conservation, and preservation programs in areas approved by the City Council. In evaluating the City's rehabilitation programs, the Community Development Department, now the Housing Preservation and Production Department (HPPD), annually releases a performance report measuring specific achievements of the City against planned goals set out in its application for CDBG funds. The annual Grantee Performance Report measures the achievements of programs such as the Homeowners Opportunity Maintenance Effort (HOME) Program, the Multi-Family Rehabilitation Effort (MORE) Program, the Contract Agency Programs, the Neighborhood Housing Services (NHS), Handyworker Program, the Homeowners Encouragement Loan Program (HELP), Home Secure, and several major CRA projects involving rehabilitation.

On the following pages are summaries and evaluations of the programs of the 1984-1989 element.

REVIEW AND EVALUATION OF THE 1984-89 HOUSING ELEMENT

FOR PURPOSES OF BREVITY THE PROGRAMS OF THE HOUSING ELEMENT HAVE BEEN SUMMARIZED

OBJECTIVE 1

To encourage the provision of adequate housing in the City with a particular emphasis on rental units, especially for those of low and moderate income and households having special needs including the homeless.

Program 1.1: Housing Production Program - Administer the City's Housing Production Program

Responsible Agency:	CDD
Funding:	CDBG
Strategy :	1) The CDD will administer the Housing Production Program 2) \$1,052,017 will be proposed in the 10th year for the construction of low and moderate housing

Comments: The above funds were committed to housing production

Program 1.2: Affordable Housing Legislation - Support legislation that will assist in providing low and moderate income households

Responsible Agency:	CDD, CLA, City Attorney, Planning
Funding:	CDBG, General Revenue
Strategy:	1) City Attorney to draft legislation to enable tenant associations to have first refusal to purchase 2) City Attorney to draft legislation to sponsor Tenant Savings Bank or revolving loan for tenant member

Comments: Ongoing. The City took positions on a range of affordable housing topics, including rehabilitation and homeownership assistance, required set asides for low and moderate income housing and housing for the homeless.

Program 1.3: Promote Special Needs Housing - Promote residential development that will meet the special needs of the disabled, elderly, disadvantaged, handicapped and large families

Responsible Agency: CDD
Funding: Fed, State, & General Rev.
Strategy: 1) Various city agencies shall continue to provide data to assist CDD in preparation of annual HCD application
2) CDD will continue to recommend City housing priorities to the Mayor and City Council

Comments: Ongoing

Program 1.4: Identify Reusable Land- Identify vacant or potentially usable land for housing sites throughout the City.

Responsible Agency: CDD
Funding: CDBG, General Rev.
Strategy: 1) CDD shall identify suitably sited for new private and publicly assisted housing
2) CDD will conduct on-going review of City's LUPAMS and SURPLUS data files

Comments: Ongoing. CDD continues to identify City owned lots for housing suitability.

Program 1.5: Maintain City Housing Projects - Continue operation and maintenance of City Housing Projects in good condition consistent with health and safety codes.

Responsible Agency: Housing Authority, Fire Dept. and Building and Safety
Funding: General Rev.
Strategy: 1) HACLA to continue to operate conventional housing program and Section 23 leased program
2) HACLA to develop programs to encourage development
3) HACLA to continue maintenance and modernization of units where appropriate

Comments: Ongoing. The HACLA has continued to operate its Section 23 housing units and modernization of public housing units. During 84-89 HACLA expended approximately \$22 million on rehabilitation and remodeling, construction, and other related activities that ensure the long term viability of public housing units,

Program 1.6: Develop Below-Rate Mortgage Funding - Develop a flow of City Mortgage Funds at interest rates less than those of the current market.

Responsible Agency: CDD
Funding: CDBG
Strategy: 1) CDD shall continue to confer and encourage financial institutions to make subsidies available for low and moderate income households
2) City will continue to take advantage of tax-exempt financing for mortgage funds so that low and moderate income families can be served.

Comments: The City issued approximately \$690 million for multi-family and \$105 million for single family mortgages during this period. Extension of federal tax exemption for single family mortgages, lender construction financing, and new sources of lender guarantees are needed to maintain or increase effort.

Program 1.7: Utilize SCAG Allocation Model - The City will continue to utilize SCAG's "fair share allocation model" as an element in developing properties for needed subsidized family housing units.

Responsible Agency: CDD, Planning
Funding: CDBG, General Rev
Strategy: 1) Planning with Council approval will develop specific plans for identified Centers and community business district which will include housing near employment
2) CDD will work with SCAG to eliminate residence requirements that limit City residents from qualifying for subsidy programs in adjacent cities
3) CDD will support use of SCAG's fair share allocation in state mandated or local planning requirements

Comments: Continued to P-73 and P-84 of revised Element

Program 1.8: Maintain Housing Element - Maintain Housing Element of the General Plan as required by California Government Code.

Responsible Agency: Planning
Funding: General Rev.
Strategy: 1) Planning Dept. will prepare a five year update of the Housing Element.

Comments: Ongoing

Program 1.9: Affirmative Action Lending Policy - Encourage financial institutions to demonstrate an affirmative action policy in lending practices.

Responsible Agency:	Mayor, Council and City Attorney
Funding:	General Rev.
Strategy :	1) Mayor and Council shall use the lending practices of institutions as one criteria in making City deposits 2) City shall support sanctions against financial institutions that practice geographic or racial discrimination 3) City shall encourage changes in Fed. and State law to permit greater local authority to enforce civil action against lending institutions that encourage discrimination in loan program 4) City Atty. will investigate possibility of filing law suits against any financial institution that practices redlining and racial discrimination

Comments: Carried over to P-67 of revised Element

Program 1.10: CRA Housing Opportunities Goal - CRA will give priority to the goal of expanding housing opportunity especially for those of low and moderate income.

Responsible Agency:	CRA
Funding:	Federal, State
Strategy :	1) CRA shall continue to work with neighborhood based non-profits to develop low and moderate income housing project areas 2) CRA will encourage development of limited equity housing cooperatives for low to middle-income as replacement housing

Comments: Two additional redevelopment project areas were adopted, Crenshaw (1984) and Hollywood (1986). The agency assisted the development of 326 low and moderate housing units in Hollywood. The Crenshaw project includes no residential property.

Program 1.11: Shelter for Homeless Persons - The City recognizes and acknowledges that shelter for homeless persons is a vital housing need that needs to be addressed further.

Responsible Agency:	CDD, Planning
Funding:	General Rev.

Strategy: 1) City will put into its legislative policy, support language for the lobbying of Fed. and State emergency housing relief funds

Comments: Ordinances to facilitate housing for the homeless were adopted. See Section on Homeless in Chapter 3 of revised Element.

OBJECTIVE 2

To encourage design in housing that will minimize adverse environmental effects, enhance public safety, encourage energy conservation and the use of alternative energy sources, and optimize accessibility for the handicapped and the elderly.

Program 2.1: Energy Conservation Ordinances - Develop energy ordinances that require the use of conservation features and designs in new and existing residential development and rehabilitation.

Responsible Agency: Building and Safety, Planning, City Attorney, Department of Water and Power

Funding: General Rev.

Strategy: 1) Pass and implement Solar Access Ordinance and Solar Rights Ordinance
2) Planning Dept. will complete a Community Energy Management Plan leading to new ordinances that may include the use of energy conserving design features
3) Planning Dept. will evaluate feasibility of a proposed ordinance requiring all new residences and existing homes offered for sale to include storm windows, clock-thermometers etc.
4) City Atty. to complete a proposal for a Solar Rights Ordinance that will limit use of nonrenewable energy sources
5) Dept. of Water and Power will undertake a life-cycle cost analysis of solar and electrical heating systems

Comments: N/A

Program 2.2: Handicap Accessibility - The city will encourage accessibility and adaptability for the handicapped and elderly in the design and construction of new and rehabilitated housing.

Responsible Agency: CDD, Mayor's Office for the Handicapped, HACLA.
Funding: CDBG, General Rev.
Strategy: 1) CDD with the Mayors office will undertake a feasibility study to determine the most cost-effective method to expand available and adaptable housing for the handicapped
2) CDD will study a self-evaluation plan for the City's compliance with Section 504 of the Handicapped Access Act
3) Create and advisory board to recommend how planning changes, ordinances or controls can be beneficial to the housing needs of persons with disabilities
4) Developers will be required to pay a development fee which will be earmarked for making the environment more accessible for the handicapped e.g. curb cuts

Comments: Incomplete. Carried over to P-52 of revised Element.

Program 2.3: Residential Security - The City will study ways to improve security in residential construction.

Responsible Agency: Mayor's Office of Criminal Justice Planning
Funding: CDBG, General Rev.
Strategy: 1) The Mayors's Office will continue to investigate possible security features to be incorporated in new residential construction

Comments: N/A

Program 2.4: Provision of Residential Service - The City will encourage the provision of adequate public and private service facilities (libraries, schools, parks) in new residential development and older neighborhoods.

Responsible Agency: Public Works Department
Funding: State, Fed, Gen. Rev.
Strategy: 1) Through city's Capital Improvement Program, older neighborhoods should be examined for deficiencies in public service and be provided with those that need repair as funds become available

Comments: Ongoing.

Program 2.5: Standardize Building Code - Continue efforts to standardize the City Building Code with appropriate State and National Building Code Agencies.

Responsible Agency: Building and Safety
Funding: Gen. Rev.
Strategy: 1) Department of Building and Safety will continue to work with the International Conference of Building Officials in standardization of building codes

Comments: Ongoing

Objective 3

To promote equal opportunity for all persons regardless of race, ethnic background, religion, handicap, income, age, sex and family composition, to purchase, rent, rehabilitate or build housing throughout the City.

Program 3.1: Disseminate Housing Rights Law - Support efforts to inform residents and owners of rental property of laws regarding equal housing opportunity.

Responsible Agency: CDD
Funding: CDBG
Strategy: 1) The City shall continue to make available information regarding equal housing opportunity laws.

Comments: Ongoing

Program 3.2: Fair Housing Legislation - Continue to support legislation that promotes Fair Housing laws.

Responsible Agency: City Attorney
Funding: CDBG
Strategy: 1) The City Attorney will continue to advise the Council and Mayor on legislation involving Fair Housing

Comments: Ongoing

Program 3.3: Age Discrimination Enforcement - City shall continue to enforce its ordinance prohibiting discrimination against tenants on the basis of age, marital status and children.

Responsible Agency: Chief Legislative Analyst Office
Funding: Gen. Rev.
Strategy: 1) The City shall continue to enforce legislation which makes it unlawful for person having a housing accommodation for rent or lease to refuse to rent it: Age Discrimination Ordinance No. 153,406.

Comments: Ongoing. State law now exists.

Program 3.4: Tax Legislation - Change State tax law to help reduce the cost of housing.

Responsible Agency: Chief Legislative Analyst Office
Funding: Gen. Rev.
Strategy : 1) New legislation should be pursued which would a) enable local assessors and communities to reduce assessment to units restricted in use to low and moderate income households, and b) create a tax benefit to homeowner for construction, addition or conversion of a second unit.

Comments: Incomplete. Not Done

Program 3.5: Promote Housing Integration - The City should explore new ways to promote housing integration

Responsible Agency: CRA, Planning, CDD, Los Angeles Unified School District
Funding: Gen. Rev.
Strategy : 1) Research program of other localities which encourage housing integration to design a program for Los Angeles.

Comments: Ongoing. CRA requires participating owners to submit annual statement showing the ethnic and racial breakdown of project residents.

Objective 4

To encourage housing assistance and services for persons displaced as a result of City actions.

Program 4.1: Displacement/Relocation Services - Before any City project is authorized for design, a thorough review of all alternatives to minimize displacement will be undertaken.

Responsible Agency: Real Estate Division of the Bureau of Engineering, CDD,
Office of Economic Development, Planning
Funding: Gen. Rev.
Strategy: 1) Relocation Plans will be reviewed by CDD, Office of
Economic Development and Planning Dept. to ensure that
conditions for minimizing residential and City business
displacement be taken into account.
2) The Real Estate Division of the Bureau of Engineering
will determine the feasibility of developing a program
which sets aside large lump-sum City relocation payments.

Comments: Completed. Ordinance Adopted.

Program 4.2: Counseling Assistance - Where Code enforcement causes demolition of residential units, counseling assistance shall continue to be offered by the Real Estate Division to those who are displaced.

Responsible Agency: CDD
Funding: Gen Rev.
Strategy: 1) The CDD where feasible will attempt to secure move-
on replacement units for lots where code enforcement
demolition has occurred.

Comments: Ongoing

Program 4.3: Relocate Rental Units - Residential units located on land acquired by the Real Estate Division for new parks will be relocated and utilized by CDD in target areas.

Responsible Agency: CDD
Funding: Gen. Rev.
Strategy: 1) The CDD will give priority consideration to displaced
resident for their own units, when these units are finally
moved.

Comments: Ongoing

Program 4.4: Relocation Coordination - City will coordinate with Caltrans, CRA and other interested parties to relocate and replace residences displaced by freeway and airport construction within the City.

Responsible Agency: Planning, CDD, CRA
Funding: Gen. Rev. and Bonds
Strategy: 1) The City Council may authorize the Planning Department the CDD, the CRA to facilitate the targeting of appropriate sites and secure the maximum number of available units.

Comments: Ongoing

Objective 5

To improve and conserve existing residential neighborhoods.

Program 5.1: Identify Vacant Housing - Continue to identify abandoned and vacant housing for rehabilitation as low and moderate income housing.

Responsible Agency: CDD
Funding: Fed. & Gen. Rev.
Strategy: 1) The CDD will continue to monitor the current inventory of foreclosed and abandoned units.
2) The CDD will continue to request the cooperation of private lenders and City agencies to maintain an accurate inventory of vacant housing units.

Comments: Ongoing

Program 5.2: Assist Owner Rehabilitation - Assist residents and property owners in their efforts to rehabilitate their properties.

Responsible Agency: CDD, CRA
Funding: Section 312 & State
Strategy: 1) The CDD or CRA will continue to participate directly with major lending institutions in securing commitments for loan funds so that residential propertyowners can receive rehabilitation financing.
2) The CDD will continue to apply for federal funds to encourage the rehabilitation of low and moderate income families.

3) The City will continue to support expanded Federal and State financial assistance for rehabilitation purposes with special emphasis on securing Federal Section 312 rehabilitation loans.

Comments: During the 5 year period CRA provided assistance for the rehabilitation of 5,100 housing units. The City continues to apply for all available rehabilitation funds although the 312 Program has been discontinued.

Program 5.3: Identify Deteriorating Neighborhoods - Identify those neighborhoods where comprehensive revitalization approach is necessary to counteract deterioration.

Responsible Agency: CRA, Planning, CDD
Funding: Fed. State, Gen. Rev.
Strategy: 1) The CRA, CDD, Planning and Council office will continue to identify residential neighborhoods where conservation efforts will not be enough to bring about the necessary level of revitalization but has to be augmented with improving and upgrading existing housing.

Comments: Ongoing

Program 5.4: Support Conservation Legislation- Support through City's legislative process, State and Federal legislation to finance neighborhood conservation programs

Responsible Agency: Mayor and Council
Funding: Fed. & State
Strategy: 1) The Mayor and Council will continue to actively support attempts to expand Federally sponsored and State-sponsored rehabilitation programs.

Comments: Ongoing

Program 5.5: Continue Code Enforcement - Encourage the maintenance and sound condition of its housing units.

Responsible Agency: Building and Safety
Funding: CDBG
Strategy: 1) The Building and Safety Department will continue its effort to arrest blight and conserve the housing stock with its Conservation Bureau.

Comments: Ongoing

Program 5.6: Continue Public Housing - Continue the use of existing public housing units to provide low and moderate income housing.

Responsible Agency: HACLA
Funding: CDBG
Strategy: 1) The City Housing Authority will continue to operate its effort to arrest blight and conserve the housing stock with its Conservation Bureau.
2) The Housing Authority will develop a demonstration program for conversion of a public housing project to a limited equity housing cooperative in accordance with federal legislation.

Comments: Ongoing. HACLA continues to operate and modernize its public housing developments for qualified low-income families (see Program 1.5). It has spearheaded the formation of resident organizations to promote resident-management and ownership of units. Various leadership and management training is being offered to residents to provide them with necessary skills to allow them to assume these responsibilities.

Program 5.7: Prohibit State Deductions for Substandard Rentals - Develop a program that would take advantage of the California State Revenue and Taxation Code which prohibits owners of substandard rental units cited for Code violations from receiving state income tax deductions.

Responsible Agency: Building and Safety, City Attorney's Office, CLA
Funding: HCD
Strategy: 1) Identify substandard properties that are receiving tax deductions.
2) A method should be developed to uncover rental units that have been cited for Code Violations and have the State disclaim state income tax deductions until the Code correction have been made.

Comments: Ongoing. Deductions that cannot be claimed by owners of substandard property are collected by the State and reverted to the City. This dollar amount has steadily increased to an average of approximately \$197,000 annually.

Program 5.8: Community Development Programs - Continue operation of a variety of community development programs and services aimed at rehabilitation of housing and improving public services and facilities.

Responsible Agency: CDD
Funding: CDBG, Gen.Rev.
Strategy: 1) The CDD will continue to determine Citywide community development needs and target available resources to meet the identified needs.
2) The CDD will continue to operate its existing housing programs and services.

Comments: Ongoing

Program 5.9: Historic Preservation Overlay Zones - Establish HPOZ zones where there is a concentration of historical and architecturally significant structures and site.

Responsible Agency: Planning, Cultural - Heritage Board
Funding: Gen. Rev.
Strategy: 1) The City will continue to encourage the establishment of historical zones in appropriate areas.

Comments: Carried over to P-39 of revised Element.

Program 5.10: Lien-Sale Contracts - Eliminate abuses of lien-sale contracts for home improvements.

Responsible Agency: HACLA
Funding: CDBG
Strategy: 1) The City will contract with non-profit agency to establish an information and legal service to aid residents threatened with foreclosure caused by lien-sale contracts for home improvements.

Comments: Not done

Program 5.11: Housing Rehabilitation Tax Legislation - Advocate state legislation to allow temporary deferral of property taxes on an increase in value resulting from rehabilitation.

Responsible Agency: CLA
Funding: Gen. Rev.
Strategy: 1) The City will support legislation to encourage rehabilitation.
2) Advocate for housing units owned by limited equity housing cooperatives to be revalued for property taxes in proportion to the limited appreciation controls of the property rather than market standards.

Comments: Not done.

Program 5.12: Mutual Housing Association (Co-op Housing) - Encourage development of Mutual Housing Associations which offer reasonable priced cooperative housing for low and middle level income people.

Responsible Agency: CDD, CRA, Planning
Funding: CDBG, State
Strategy: 1) CDD, CRA and Planning will work out specific procedures to facilitate the creation of a Mutual Housing Association demonstration project.

Comments: Not Done. CRA and HACLA attempted a limited equity cooperative with Section 8 certificates. Because of difficulties in obtaining a mortgage, the project was developed as rental housing.

Program 5.13: Neighborhood Housing Services - Participation in developing Housing Services Program for neighborhoods that have already been earmarked for revitalization.

Responsible Agency: CDD
Funding: CDBG, State
Strategy: 1) Stimulate reinvestment in the Barton Hill, Boyle Heights, Crenshaw and Vernon/Central neighborhoods by offering rehabilitation and financial services to community residents.

Comments: Ongoing

Objective 6

To assure the development of new housing units to meet the City's housing needs.

Program 6.1: Assist Housing Development- Assist sponsors and developers desiring to produce both low/moderate income and market rate housing:

Responsible Agency:	CDD
Funding:	Federal, State, Gen. Rev.
Strategy:	1) The CDD shall continue to provide information in the annual HAP regarding types of units that will receive the highest priority for public assistance programs 2) The City will establish a one-stop counter 3) The City will request HUD to periodically increase Sec 8 Fair Market Rents 4) The CDD shall continue to make information available on Fed/State subsidies and grants for low and moderate income housing available to sponsors and developers. 5) City will provide resources to improve LUPAMS. 6) City Housing Expeditor will continue to improve the processing of residential projects and with CDD shall accelerate project with high priority.

Comments: HAP was incorporated into the City's CHAS (Comprehensive Housing Affordability Strategy)

Program 6.2: Joint Financing Efforts (CDD and CRA) - CDD and CRA will continue to work jointly to utilize financing for new affordable housing in the City.

Responsible Agency:	CDD, CRA
Funding:	Fed., State, Local Bonds
Strategy:	1) The CDD and CRA will continue to work jointly in efforts to utilize Marks-Foran Rehabilitation Loan Bonds, AB1355, AB655, AB604 and other legislation. 2) The City will continue to initiate or support amendments to make Marks-Foran and SB99 statutes more useful on a Citywide basis. 3) The CDD, CRA will continue efforts to pool bond financing, HCDBG funds tax increment and other resources where appropriate.

Comments: The CRA issued approximately \$240 million in housing bonds which resulted in the production of 2,335 housing units.

Program 6.3: City Housing Bonds - City will continue issuing additional local housing revenue bonds to facilitate construction of new residential units for low/moderate or middle income households.

Responsible Agency: CDD
Funding: Fed., State, Local Bonds.
Strategy: 1) The CDD will periodically complete feasibility reports and make recommendations to City Council on the need and desirability of new local bond programs

Comments: See Program 1.6

Program 6.4: Mobile Home Park Zoning - create new residential zone to encourage retention of existing mobilehome parks.

Responsible Agency: Planning, Building and Safety.
Funding: Dept. Budget
Strategy: 1) Planning Dept. and B&S will work to develop procedures to implement new zoning

Comments: 50% completed. Carried over to P-88 of the revised Element

Program 6.5: Develop a Variety of Housing - Encourage a variety of housing types including single family, town house, condominium, congregate, mixed use and apartments.

Responsible Agency: Planning
Funding: Dept. Budget
Strategy: 1) The Planning Dept. shall continue to prepare community plans which include a range of housing types. The plan will continue to implement the goals of Concept Los Angeles

Comments: Ongoing

Program 6.6: Monitor Housing Compliance - Monitor the present ordinances relating to low and moderate income housing and make recommendation for change.

Responsible Agency: CDD
Funding: Gen. Rev.
Strategy: 1) The CDD will prepare periodic status reports to the Mayor and City Council

Comments: Ongoing.

Program 6.7: Revise Code for Flexibility - revise Municipal Code to permit flexibility to stimulate the construction of low and moderate income housing.

Responsible Agency: Building and Safety, Planning, CDD
Funding: Fed, State
Strategy: 1) B&S, Planning and CDD shall continue to review Building and Zoning Code in order to reduce development cost and allow new technology

Comments: Ongoing

Program 6.8: Density Bonus for Affordable Housing - City will grant density bonus above that shown in Community Plan where projects provides low and moderate income units.

Responsible Agency: Planning
Funding: Dept. Budget
Strategy: 1) City should finalize and pass an ordinance which will grant density bonus to projects if it creates low and moderate income housing
2) Density bonus incentive should be used to develop affordable housing for sale as well as rentals.

Comments: Incomplete. Carried over to P-94 of the revised Element

Program 6.9: Limit Hazardous Development - Where necessary for health reasons, City will consider limiting new residential development in environmentally hazardous areas.

Responsible Agency: Planning Department
Funding: Gen. Revenue
Strategy: 1) Planning will undertake study to develop a new ordinance to minimize unhealthful exposure to residents of new residential projects when located within a certain distance from major sources of pollution.

Comments: Ongoing through EIR Process.

Program 6.10: Modify Parking Requirements in Senior Citizens Housing - Modify senior citizen requirements to ease open space/parking requirements in case of reversion to market housing.

Responsible Agency: Planning Department
Funding: Department Budget
Strategy: 1) Amend Ordinance No. 157,661 to require developer of senior housing to provide the standard amount of parking and open space if the project was redeveloped.

Comments: Completed. Addressed in Zoning Code.

Program 6.11: Reduced Parking Requirements - Consider reduction of parking requirements as a bonus for development of certain sites for multi-family housing.

Responsible Agency: Planning Department
Funding: General Rev.
Strategy: 1) Undertake study on the feasibility to reduce parking for multi-family areas that provide accessibility to Metro Rail stations.
2) Study feasibility restricting number of vehicles allowed in a project which uses cooperative car sharing program.

Comments: Carried over to P-77& P-84 of revised Element.

Program 6.12: Support Increased Financial Incentives- Modify City's housing policy to support greater financial incentives for increased housing production.

Responsible Agency: CLA
Funding: Department Budget
Strategy: 1) Urge State and Federal Legislation to lower depreciation schedule for rental construction to 10 years.
2) Eliminate State and Federal taxes on earned interest from savings account to encourage deposits to residential construction.
3) Support continuation of Cal-Vet loan program.
4) Support increased Cal-Vet Mortgage limits.

Comments: Nos. 1 and 2 not done. The City has a general policy of supporting financial assistance for all groups of people, including Cal-Vets.

Program 6.13: Develop Master EIR's - Streamline EIR processing through a "Master EIR's for development in "Centers".

Responsible Agency: Planning
Funding: General Revenue
Strategy: 1) Study the feasibility of developing "Master Centers EIR's".

Comments: Not done. "Master EIR" is in the process for Community Plan Revision Program.

Program 6.14: City Council's Housing Production Incentives - Various proposals of the Mayor's Housing Task Force to stimulate the production of housing in the City.

Responsible Agency: Mayor's Housing Task Force
Funding: Fed, State, Local bonds
Strategy: 1) 30% residential density increase in multiple-unit residential zones.

Comments: Density increase of 30% is at the discretion of the Planning Commission.

2. Density increases for Senior Citizen Housing.

Comments: In progress. No final ordinance in place.

3. New Single-Family Residential Zone that would allow smaller lot sizes and factory-built housing.

Comments: RU Zone adopted which allows a minimum lot size of 3,500 s.f.

4. Density bonuses in return for an affordable housing production fee or reserving units for low and moderate income households.

Comments: In place

5. Reduced parking requirements when housing is close to public transportation.

Comments: Carried over to P-84 of the revised Element

6. Eliminate covered parking requirements.

Comments: Not adopted. Not sufficient incentive for affordable housing.

7. Reduce driveway turning radius.

Comments: N/A

8. Permit overtime pay to eliminate work backlogs in City departments determined to be in a critical status.

9. Additional personnel in Bureau of Engineering should be provided to match Planning Department capacity to process cases.

10. Additional personnel in Bureau of Engineering, Parcel Map Unit.

11. Provide the Bureau of Engineering with a printer and another computer terminal to reduce subdivision map checking time.

12. "Expected" Review approval time periods for Building and Safety, Bureau of Engineering and Planning.

13. Create a Building and Safety postcard notification system.

14. Increase staffing for Building and Safety Geology Plan Check.

Comments 8-14: All concern expediting affordable housing. In August 1990, Mayor Bradley signed an Executive Order which fast tracked affordable housing through the city's discretionary approval process. In 1992 approximately 2000 such units were fast tracked in the Mayor's office.

15. Use of air rights over flood control channels and utility easements should be explored for sites suitable for low and moderate income housing.

Comments: Proposal was not utilized. No applications received.

16. A commercial/residential mixed use Zone should be created for all commercial properties, including parking that would open up land for multi-family housing.

Comments: Adopted in May of 1982. Program 76 of revised element proposes to evaluate ordinance and recommend changes.

17. Conversion of public buildings to housing.

Comments: Implemented.

18. Inventory of City-owned land.

Comments: Carried over to P-7 in revised Element.

19. Pension funds and profit savings plans should be utilized to fund housing construction and mortgage loans.

Comments: Ongoing. Mayors's Office is meeting with AFL-CIO leaders and others to consider the viability of using local pension funds for financing of affordable housing, both rental and homeownership.

20. Amendment of California Department of Insurance Regulations - Decrease the time of four months that is now required by the State before mortgage funds can be sold in secondary securities market.

Comments: N/A

Program 6.15: Encourage Smaller Housing - Encourage a variety of affordable single-family housing including factory-built, manufactured and site-built housing on smaller lots than the R1 Zoning allows.

Responsible Agency: Planning

Funding: Department Budget

Strategy: 1) Create a new Single Family Residential zone which would permit factory built, or site built square foot or lots of less than 5,000 s.f.

Comments: RZ Zone was adopted which allows a minimum lot size of 2,500 s.f.

Program 6.16: Coastal Zone Affordable Housing - Implement objectives of Senate Bill 626 relating to the maintenance and provision of affordable housing in the Coastal Zone

Responsible Agency: Planning

Funding: Department Budget

Strategy: 1) Require replacement housing for demolished or converted units housing low and moderate income persons.
2) Require low and moderate income housing level feasible in new development.

Comments: Carried over to P-79 of the revised Element.

Objective 7

To make provision for the availability of access to all public facilities and services in all neighborhoods throughout the City.

Program 7.1: Assess All Public Facilities - The City shall continue to evaluate all public facilities and services and capital improvement programs, and will implement where appropriate all state and federally funded programs to expand their availability

Responsible Agency: CAO, Public Works Committee
Funding: Gen. Revenue
Strategy: 1) CAO will conduct annual review of all requests for projects and facilities and recommend to the Public Works Committee of City Council.

Comments: Ongoing

Program 7.2: Community Care Facilities - City will work towards a consensus of the goals, regulations, and intent of different community groups in providing community care facilities.

Responsible Agency: CDD
Funding: Gen. Rev.
Strategy: 1) A lead agency should be designated to follow through on developing standards and regulations for community care facilities.

Comments: Carried over to P-15 of the revised Element.

Program 7.3: Removal of Government Constraints - The City will remove any constraints to the maintenance, improvement, and development of housing where it is legally possible to do so.

Responsible Agency: Building and Safety, Planning
Funding: Federal
Strategy: 1) Building and Safety, the Planning Department will regularly review their regulations to determine if there are constraints influencing the development of housing.
2) The Building industry should be encouraged to regularly comment and review its procedures.

Comments: Ongoing. See Chapter 4 on Constraints in the revised Element

Objective 8

To provide the opportunity for maximum feasible involvement of residents and organizations in housing programs of direct interest to them.

Program 8.1: HCD Citizen Participation Unit - Continue HCD Citizen Participation Unit to encourage facilitate public participation.

Responsible Agency: CDD

Funding: Federal

Strategy: 1) CDD will continue to meet regularly with the HCD, Citizen Advisory Committee (CAC) to participate in planning and evaluation of HCD funded activities.

Comments: Ongoing. CDD continues its citizen participation for the CDBG program.

Program 8.2: Public Housing Policy Review - include the general public in the development and review of City housing policies.

Responsible Agency: Planning

Funding: Department Budget

Strategy: 1) Work with all affected interest groups to update the Housing Element in a timely fashion.

Comments: Ongoing

Program 8.3: Maximizing Coordination for Housing the Needy - City will continue to seek solutions for providing the needy with housing by maximizing the involvement of different groups that have an interest in housing.

Responsible Agency: CDD

Funding: Federal

Strategy: 1) Any City effort to provide housing should recognize the involvement of the community and different roles and purposes of each organization

Comments: Ongoing

Program 8.4: Providing Information to the Public - Continue present methods and develop

new methods of informing the public about the City's housing program.

Responsible Agency:	CDD, CRA, Housing Authority*
Funding:	Federal, State
Strategy:	1) CDD, CRA and Housing Authority will investigate available resources and develop new materials where appropriate and make them available to interested individual or groups. 2) CDD, CRA and Housing Authority shall provide knowledgeable speakers about housing program to community groups that request them 3) CDD, CRA and HCLA will work with the media to reach the widest possible audience regarding the City's housing programs.

Comments: Ongoing

Objective 9

To continue to develop, refine and enforce the City's Rental Market Mitigation Ordinances to insure that the health and welfare of the City and its residents are served and that rights and interests of renters and landlords protected.

Program 9.1: Condominium Conversion Ordinance - The City, when not superseded by State law, will continue to regulate apartment project conversions.

Responsible Agency:	Planning
Funding:	General Revenue
Strategy:	1) Tenant compensation, first right of refused should continue in order to mitigate the negative effects of displacement due to condo conversion. 2) Monitoring of the vacancy rates in the City should continue and be reviewed for usefulness.

Comments: Ongoing

Program 9.2: Demolition Ordinance - The city, when not superseded by State law, will continue to require that mitigation measures be applied to projects that demolish apartment housing.

Responsible Agency:	Planning
Funding:	Department Budget
Strategy:	1) Tenant compensation should continue in order to mitigate the negative effects of displacement due to demolitions. 2) An enforcement group should be designated to exert influence calling for more comprehensive enforcement of the demolition ordinances.

Comments: Carried over to P-33 of revised Element and also reviewed through CEQA process.

Program 9.3: Rent Stabilization Ordinance - The City has found it necessary and reasonable to regulate rents to safeguard tenants from excessive rental increases while providing landlords with just and reasonable returns.

Responsible Agency:	CDD
Funding:	General Revenue; Fees
Strategy:	1) Set up criteria for future rent increases and annual automatic rent increases based on Consumer Price Index

Comments: Ongoing

EVALUATION (Continued)

Table 33 compares the number of units planned for rehabilitation versus the number of units actually rehabilitated for fiscal years 1984 through 1991. During the planning period from 1984-1989, 32,103 housing units were rehabilitated exceeding the number of units planned by 6,778.

Various reasons account for the goals not being reached in particular programs. During the 1984-85 fiscal year, programs such as the HOME program, exhausted the allocated funding. In others, such as the MORE program, State funding was rejected for the program. The particular reasons are stated in Table 34.

Table 35 indicates new residential construction activity from 1980 through 1989. A total of 101,919 new units were constructed between 1984 and 1989 consisting of 10,016 single family units, 7,697 condominiums and 84,206 multiple family dwellings. The percentages of units constructed according to income categories are unavailable.

Table 36 shows Community Redevelopment Agency multi-family housing production inventory, summary of unit size, tenancy restrictions and income restrictions by count.

The proposed new element is designed to improve upon past performance by projecting realistic goals with objectives to be accomplished within certain time frames. The goals, policies statements and the implementing programs have been rewritten for clarity and ease of reference. Programs have been organized according to :

Housing Production
Housing Preservation
Special Needs
Land Use and Planning

The major new additions made to the element that were not included in the previous element are :

- o Linking growth in housing to planned transportation systems.
- o Establishing a citywide land use document, the "Framework", which facilitates affordable housing and by which housing need projections can be made.
- o Quantifying the need assessment for those families and individuals with special needs.
- o Quantifying, by subregion, the capacity of land zoned for residential uses.
- o Addressing the preservation of subsidized multifamily units "at risk" of conversion to market rate units.
- o A system for evaluating each program annually and making recommendations to the Planning Commission for revising the programs and redirecting resources.

A sample letter to be used in securing this information needed to make the annual evaluation and recommendation is shown on the next page.

SAMPLE EVALUATION LETTER

Date: (First working day of July, each year)
TO: (Responsible Agency)
FROM: Department of City Planning
SUBJECT: ANNUAL EVALUATION: HOUSING PROGRAM IMPLEMENTATION

State Law requires that each city annually evaluate progress in implementing the programs in the Housing Element of its General Plan. Below is a listing of those programs in the City's Housing Element for which your agency is responsible. (A complete description of each program as set forth in the Housing Element is attached, for your reference.)

Please note in column (d) the progress that has been made to date in implementing each program. Quantify the progress if possible. If there has been no progress, indicate the reason, for example, "not in work program" or "staff not assigned." In column (e) give any recommendations you may have for needed revisions in the program, redirection of resources needed to carry out the program, etc. Attach additional pages if necessary.

Your response by July 31 will be appreciated.

(a) Pgm Num	(b) Program Name	(c) Annual Objective	(d) Progress in Implementation	(e) Recoms. for Program Revision or Redirection of Resources
P-2	Conventional Housing Pgm.	Build 14 low-inc units annually		
P-29	Section 8 Hsg Assistance Pgm.	330 new certs annually		
Etc.	Etc.	Etc.		

Hsg.EVAL.wk1

MONITORING

As a result of the recommendations of the Mayor's Blue Ribbon Committee for Affordable Housing, the Los Angeles City Council, on June 12, 1990, adopted an ordinance establishing the Housing Preservation and Production Department (HPPD) and the Los Angeles City Affordable Housing Commission.

The Ordinance directed HPPD, on behalf of the City, to propose, develop and implement a comprehensive citywide affordable housing policy promoting the production and preservation of affordable housing.

The Affordable Housing Commission's mandate includes, but is not limited to:

1. Annual review of City agencies' and departments' housing plans and budgets to ensure that they are in conformance with City housing policy established by the Mayor and Council;
2. Review of the agencies' and departments' housing programs and making recommendations to the Mayor and City Council for affordable housing program implementation; and,
3. Monitoring the impact of City housing policy and making recommendations for modifications to such policy where necessary to achieve the City's affordable housing goals.

The ordinance also mandates that the Commission perform an affordable housing needs assessment and generate and update a housing data base with the assistance of the City's other housing agencies. Every two years the Commission shall also make recommendations regarding revisions to the

City's housing policy and housing goals to the Mayor and City Council.

The Commission and Department will play a key role in development of a comprehensive housing data base to assist the City in setting and attaining housing goals.

Implementation programs require the Planning Department, along with the HPPD to continually assess the impact of proposed zoning regulations and development standards on the cost and supply of the City's housing stock. The programs also instruct the Department to develop procedures and an assessment mechanism to evaluate any overall reduction or increase in the City's zoning capacity and its effect on the City's ability to meet its share of the regional housing needs.

Finally, the Planning Department has developed a set of "Guiding Principles" (Appendix A) for Planning staff and City decision-makers who face development decisions such as community and specific plans, interim control ordinances, rezoning, environmental assessments and new land use regulations such as the Congestion Management Plan and other General Plan Elements. The Principles, when adopted by the Planning Commission, Mayor and City Council, will require staff to make supporting findings on the impact of plans and proposals on the City's housing supply and will encourage preservation of the affordability of existing housing. The Guidelines also reinforce Housing Element policies to direct new housing opportunities near planned and existing transit stops and along major transportation corridors.

TABLE 33

**NUMBER OF UNITS REHABILITATED - PLANNED VERSUS ACTUAL
FISCAL YEARS 7/84 - 6/91**

Program	Units Planned	Units Rehabilitated	Percent of Goal
<u>7/84 - 6/85</u>			
Contract Agencies	272	272	100%
Handyworker	1,416	1,397	98%
HELP	177	192	108%
H.O.M.E.	950	833	88%
HOME SECURE	437	1,221	279%
M.O.R.E.	500	740	148%
NHS	3,752	4,655	109%
CRA	802	683	85%
TOTAL	8,306	9,993	120%
<u>7/85 - 6/86</u>			
Contract Agencies	320	291	90%
Handyworker	1,106	1,187	107%
HELP	47	47	100%
H.O.M.E.	900	808	90%
HOME SECURE	1,036	1,683	162%
M.O.R.E.	500	489	98%
NHS	47	47	100%
CRA	377	498	132%
TOTAL	4,333	5,050	116%
<u>7/86 - 6/87</u>			
Contract Agencies	270	238	88%
Handyworker	1,365	1,542	113%
HELP	80	88	110%
H.O.M.E.	810	717	89%
HOME SECURE	960	2,077	216%
M.O.R.E.	402	868	216%
NHS	64	14	22%
CRA	417	318	76%
TOTAL	4,368	5,862	134%
<u>7/87 - 6/88</u>			
Contract Agencies	300	289	96%
Handyworker	1,470	1,273	87%
HELP	80	88	110%
H.O.M.E.	810	811	100%
HOME SECURE	575	2,305	401%

Source: City of Los Angeles, Community Development Department, Grantee Performance Report, July 1984 through June 1991.

TABLE 33 (Continued)

**NUMBER OF UNITS REHABILITATED - PLANNED VERSUS ACTUAL
FISCAL YEARS 7/84 - 6/91**

Program	Units Planned	Units Rehabilitated	Percent of Goal
<u>7/87 - 6/88 (Continued)</u>			
M.O.R.E.	400	1,046	262%
NHS	119	76	64%
CRA	240	53	22%
TOTAL	3,994	5,941	149%
<u>7/88 - 6/89</u>			
Contract Agencies	300	264	88%
Handyworker	1,614	1,292	80%
HELP	75	77	103%
H.O.M.E.	665	838	126%
HOME SECURE	1,002	1,965	196%
M.O.R.E.	500	537	107%
NHS	48	135	281%
CRA	120	149	124%
TOTAL	4,324	5,257	122%
<u>7/89 - 6/90</u>			
Contract Agencies	300	335	112%
Handyworker	1,357	1,812	134%
HELP	75	89	119%
H.O.M.E./M.O.R.E.	1,160	1,467	126%
HOME SECURE	990	1,302	132%
NHS	80	52	65%
CRA	150	120	80%
TOTAL	4,112	5,177	126%
<u>7/90 - 6/91</u>			
Contract Agencies	300	264	88%
Handyworker	1,238	1,545	125%
HELP	75	64	85%
H.O.M.E.	765	717	94%
HOME SECURE	416	1,032	248%
M.O.R.E.	475	760	160%
NHS	60	15	25%
CRA	99	96	97%
TOTAL	3,428	4,493	131%

Source: City of Los Angeles Community Development Department, Grantee Performance Report, July 1984 through June 1991.

TABLE 34

**ACTUAL UNITS REHABILITATED LESS THAN PLANNED
FISCAL YEARS 7/84 - 6/91**

Fiscal Year	Program	Reason For Not Meeting Goal
7/84 - 6/85	Handyworker	Project canceled by Council action at the end of previous fiscal year.
	H.O.M.E.	Program exhausted all funds allocated.
	CRA	Activity is a three phased development.
7/85 - 6/86	Contract Agencies	One loan package not approved. Low interest rate in private sector made program less attractive.
	H.O.M.E.	Program exhausted all funds allocated. Could not attain goal because unit cost too high.
	M.O.R.E	Project rejected for State funding.
7/86 - 6/87	Contract Agencies	Lowering of interest rates in private markets made program less attractive.
	H.O.M.E.	Unit cost of rehabilitation higher than anticipated.
	NHS	Inadequate staff, loan packages not submitted in a timely manner.
	CRA	Funds were unavailable.
7/87 - 6/88	Contract Agencies	Meet goal but units had to be reported in next year due to loans being disbursed after June 30, 1988.
	Handyworker	Met goal but units had to be reported in '88-'89 upon payment of close-out expenditure.
	NHS	Loan servicing institutions were slow in processing loans.
	CRA	Community response to Agency assisted loans were slow.

34 (Continued)

ACTUAL UNITS REHABILITATED LESS THAN PLANNED
FISCAL YEARS 7/84 - 6/91

Fiscal Year	Program	Reason For Not Meeting Goal
7/88 - 6/89	Contract Agencies	Funds allocated for year were exhausted.
	Handyworker	Agency problems with misinterpretation of Contract and failure to meet contractual goal, also organizational problems.
7/89 - 6/90	NHS	Inadequate staffing.
	CRA	A significant number of loan requests were canceled.
7/90 - 6/91	Contract Agencies	Funds exhausted.
7/90 - 6/91	HELP	Large percentage of clients had title problems, liens, bail bonds, and/or had a high debt to income ratio.
	H.O.M.E.	Inadequate staffing.
	NHS	Projects were without a contract agreement for first five months. Also potential participants had extensive credit problems and title clouds.
	CRA	Problem ranging from rotation of staff to change of disbursement procedures request by HUD and escrow company bankruptcy.

Source: City of Los Angeles Community Development Department, Grantee Performance Report, July 1982 through June 1991.

TABLE 35**New Residential Construction Activity
1980 through 1989**

<u>Year</u>	<u>Single</u>	<u>Condos</u>	<u>Apartments</u>	<u>Total</u>
1980	644	495	9,449	10,588
1981	1,416	3,184	5,030	9,630
1982	743	2,465	3,146	6,354
1983	742	1,293	5,773	7,808
1984	1,473	1,733	9,923	13,129
1985	2,039	1,348	17,175	20,562
1986	1,688	1,321	19,070	22,079
1987	1,828	2,050	20,198	24,076
1988	2,238	1,033	13,133	16,404
1989	2,229	1,617	14,504	18,350
Total	15,040	16,539	117,401	148,980

Source: City of Los Angeles, Building and Safety Permit File, Residential Construction Activity, April 1980 through September 1989.

MONITORING HOUSING UNITS IN THE COASTAL ZONE

Section 65588 of the California Government Code requires all housing elements to include data on housing units in the coastal zone. Table 37 indicates the number of housing units approved by the City's Office of Zoning Administration and Deputy Advisory Agency for construction, conversion and demolition in the coastal zone. These figures reflect coastal development permit authorizations as well as approval for tentative tract and parcel maps, incidental to the permit.

Any person who desires to undertake development in the coastal zone must obtain a coastal development permit as required by Section 30600 of the California Public Resources Code and Section 12.20.2 of the City's Planning and Zoning Code.

Over the five year period, July 1, 1984 to July 1, 1989, residential activity in the coastal zone included approval for construction of 514 condominiums, 307 apartments, and 35 single family dwellings.

During this time, there was authorization for 45 residential demolitions and 17 rental conversions to condominiums and commercial usage.

One-half of the total permit approvals for coastal zone residential development were issued for San Pedro. Proposed residential construction in this area totalled 423 units. Of this number, 68% were condominiums. The Venice area followed with 242 residential units approved during this period. Apartments represented the greatest number of units approved (146 units). There were 85 condominiums units approved. Table 38 illustrates coastal zone residential

construction activity by community plan area.

The City has not compiled data on low or moderate income households in the coastal zone. Identification of the number of new housing units for persons of low/moderate income is not therefore possible.

The following programs are suggested to ensure that comprehensive data on coastal zone housing is included in the next housing element:

1. A computer program designed to track housing in the coastal zone.
2. A revision to the Coastal Development Permit application to specify the household income of units scheduled for demolition/conversion.

In recent years, condominiums were the greatest number of units approved for construction in the coastal zone. The price of these units are beyond the financial means of most low or moderate income households. This is partly due to the high cost of land in coastal areas. Increased monitoring and regulation of residential activity in the coastal zone is important for ensuring that very low, low and moderate income households are not displaced, and that opportunities exist for these households to locate in the area.

This Element will promote increased housing opportunities for all segments of the community through the policies and implementation measures described in Chapters V and VI.

TABLE 36

COMMUNITY REDEVELOPMENT AGENCY
MULTIFAMILY HOUSING PRODUCTION INVENTORY
SUMMARY OF UNIT SIZE, TENANCY RESTRICTIONS
AND INCOME RESTRICTIONS BY COUNT

Category	Number of Units	Percentage
<u>Unit Size</u>		
Single	2,120	10%
1 bedroom	8,746	42
2 bedrooms	3,519	26
3 bedrooms	771	4
4+ bedrooms	<u>187</u>	<u>1</u>
Subtotal	17,343	83
SRO	2,538	13
Dormitory beds	867	4
Congregate care	<u>8</u>	<u>-</u>
Total	<u>20,816</u>	<u>100%</u>
<u>Tenancy Restrictions</u>		
Elderly	3,632	18%
Disabled	957	5
Large family	829	4
Homeless shelter	840	4
Homeless transitional	250	1
Special needs	58	-
None	<u>14,180</u>	<u>68</u>
Total	<u>20,816</u>	<u>100%</u>
<u>Income Restrictions</u>		
Very low (50%)	7,456	36%
Low (60%)	838	4
Low (80%)	2,533	13
Moderate (120%)	3,396	16
Market	<u>6,493</u>	<u>31</u>
Total	<u>20,816</u>	<u>100%</u>

TABLE 37

COASTAL DEVELOPMENT PERMITS

**APPROVED FOR NEW CONSTRUCTION,
DEMOLITION AND CONVERSION
JULY 1, 1984 TO JULY 1, 1989**

BY YEAR

<u>YEAR</u>	<u>Singles</u>	<u>Condos</u>	<u>Multiples</u>	<u>Demolitions</u>	<u>Conversion</u>	<u>TOTAL</u>
1989	19	247	22	19	3	310
1988	1	158	58	14	1	232
1987	0	30	139	0	9	178
1986	5	73	38	9	3	128
1985	10	0	34	3	1	48
1984	0	6	15	0	0	21
TOTAL	35	514	306	45	17	917

Source: Los Angeles City Planning Department

TABLE 38

COASTAL DEVELOPMENT PERMITS

APPROVED FOR NEW CONSTRUCTION,
DEMOLITION AND CONVERSION
JULY 1, 1984 TO JULY 1, 1989

BY AREA

<u>AREA</u>	<u>Singles</u>	<u>Condos</u>	<u>Multiples</u>	<u>Demolitions</u>	<u>Conversion</u>	<u>TOTAL</u>
Brentwood/ Pacific Palisades	6	120	32	0	0	158
San Pedro	18	286	119	41	0	464
Venice	11	85	146	4	17	263
Westchester/ Playa Del Rey	0	23	9	0	0	32
TOTAL	35	514	306	45	17	917

Source: Los Angeles City Planning Department

ENDNOTES

- 1.Southern California Association of Governments, Growth Management Plan, February 1989, II-3.
- 2.For 1987, actual 1987 data by industry by census tract in SCAG's data base was used. At the time of this writing, employment by those categories for 1990 was not available.
- 3.City of Los Angeles Blue Ribbon Committee for Affordable Housing, Housing Los Angeles: Affordable Housing for the Future, December 1988, 6.
- 4.SCAG, Growth Management Plan, II-9.
- 5.Ibid.
- 6.It should be noted that the SCAG Baseline Population Projections for 2010 have not yet been adjusted to reflect the 1990 Census as a base year. It could be that with the 1990 Census base, 2010 population projections could be even higher.
- 7.U.S. Census Bureau, U.S. Census Report, April 1990.
- 8.Southern California Association of Governments, City of Los Angeles Nexus Analysis of Housing Demand Refinements and Housing Projections, August 1990, 7.
- 9.Southern California Association of Governments, Regional Housing Needs Assessment (RHNA), December 1988.
- 10.U.S. Census Bureau, U.S. Census Report.
- 11.Ibid.
- 12.Ibid.
- 13."Persons per room is obtained by dividing the number of persons in each occupied housing unit by the number of rooms in the unit. Persons per room is rounded to the nearest hundredth. The figures shown refer, therefore, to the number of occupied housing units having the specified ratio of persons per room." City Planning Department Systems Division, August 1991.
- 14.City of Los Angeles, Housing Assistance Plan, December 1988.
- 15.Ibid.

16. "Living This Badly Never Cost So Much," Los Angeles Herald Examiner, 19 June 1989.
17. City of Los Angeles Department of Building and Safety Investigation Division/Slum Housing Task Force, "Housing Task Force Statistical Summary: 1/1/85 to 6/30/90," September 1990.
18. City of Los Angeles Department of Building and Safety Earthquake Safety Division, "Total Unreinforced Masonry (URM) Apartment Building Count," October 1990.
19. City of Los Angeles Housing Preservation and Production Department, Draft Comprehensive Housing Affordability Strategy Framework, August 1991.
20. City of Los Angeles, Task Force on Family Diversity, p. 69.
21. Paul Drake, Department of Aging, City of Los Angeles, Discussion with Richard Ferguson, August 7, 1992.
22. City of Los Angeles, Task Force on Family Diversity Final Report, May 1988, p. 71.
23. Ibid., p. 69.
24. Ibid., p. 71.
25. Ibid., p. 71-72.
26. Ibid., p. 72.
27. City of Los Angeles, Housing Preservation and Production Department, Need Assessment Study 1986, p. 100.
28. The projected need of the elderly was calculated by estimating the elderly to be 10% of the total population in the year 2000. The person per unit was estimated at 1.5 (345,963-the 1990 census figures for the number of owner and renter units).
29. City of Los Angeles, Comprehensive Housing Affordability Strategy (CHAS), p. 110.
30. Homes for Life Foundation and Alliance for the Mentally Ill.
31. Ibid.
32. Ibid.
33. U.S. Census Bureau, U.S Census Report.

34. Homeless Families and Children in Los Angeles County: Report on a Public Hearing, Los Angeles County Commission on Human Relations, April 1991.
35. Shelter Partnership, The Number of Homeless People in Los Angeles City and County, May 1992, p. 1.
36. Glenda Low, Shelter Partnership, Discussion with Richard Ferguson, August 4, 1992.
37. Shelter Partnership, Inc., Hopelessness and the Short Term Housing Systems of Los Angeles County, October 1989.
38. Applebaum & Drier, Recent Development in Rental Housing in the United States, Government and Housing, Sage Publication, 98.
39. City of Los Angeles, Comprehensive Housing Affordability Strategy (CHAS), p. 2.
40. Wolch, Dear and Akita, Explaining Homelessness, APA Journal, Autumn 1988.
41. Ibid., 446.
42. Ibid., p. 445.
43. U. S. News and World Report, January 15, 1990, p. 27.
44. City of Los Angeles, Shelter Ordinances, Interpretive Memorandum, Shelter Partnership, Inc., February 1987.
45. City of Los Angeles, Community Development Department, 1990 Action Plan for Homeless Programs.
46. Shelter Partnership, Inc., "The Los Angeles Section 8 Program."
47. Sprague, Joan Forrester. More Than Housing, Lifeboats for Women and Children. Butterworth Architecture, Boston 1991, p. 7.
48. City of Los Angeles, Task Force on Family Diversity, Final Report. Strengthening Families -- A Model for Community Action, 19 May 1988, p. 69.
49. Ibid..
50. City of Los Angeles Planning Department, Planning Research Section.
51. Paul M. Ong, et al. The Widening Divide: Income Inequality and Poverty in Los Angeles.
52. Ibid.

53. Sprague, *ibid.*
54. Task Force, *ibid.*
55. Paul Ong, *ibid.*
56. Task Force, *ibid.*
57. *Ibid.*
58. City Planning Research Section.
59. Southern California Association of Governments, Discussion with S. Y. Choi.
60. *Ibid.*
61. City Planning Research Section.
62. SCAG, *Ibid.*
63. Applebaum & Drier, Recent Development in Rental Housing in the United States, Government and Housing, Sage Publication, 98.
64. *Ibid.*
65. City of Los Angeles, Draft: City AIDS Policy, 1.
66. City AIDS Coordinator Office Report and Dave Johnson, Overview of Residential Service Needs for Persons Living with HIV/AIDS, 13 October 1989, 4. Adopted by the City Council as policy on 14 February 1990 (C.F. No. 89-2578).
67. The Homestead Hospice and Shelter, AIDS Project Los Angeles, and the Minority AIDS Project have provided data on and program descriptions for the Los Angeles AIDS-afflicted population.
68. *Ibid.*, 20.
69. AIDS Residential Plan: An Outline for a System of Care, 8-9. Drafted by the City AIDS Coordinator for the Los Angeles County /Coordinator HIV Strategic Plan.
70. City of Los Angeles, Department of City Planning, Systems and Mapping Division, Research Section.
71. *Ibid.*
73. L. A. Times, July 19, 1992.

74. Ibid., p. 12.

75. John McCoy (CRA) and Dave Perel (HPPD) contributed to the preparation of this section.

76. City of Los Angeles Blue Ribbon Committee for Affordable Housing, Housing Los Angeles: Affordable Housing for the Future, December 1988, 53.

77. City of Los Angeles Community Development Department, Rent Stabilization Division, 1988 Rent Stabilization Review, 90.

78. David Paul Rosen & Associates, Supplemental Report City of Los Angeles Economics of Affordable Housing Development, Analysis of Labor Market Planning Area, 16 October 1990, 7.

79. David Paul Rosen & Associates, "City of Los Angeles , Economics of Affordable Housing Development, July 1990, p. 1.

80. Ibid., p. 12.

81. Ibid., p. 17.

82. Fair Housing Congress of Southern California, Housing Discrimination Complaints/Investigations by Categories, City of Los Angeles, 1989.

83. "Fair Housing Act at 20: Bias Still Widely Reported." Los Angeles Times, 11 April 1988,

APPENDIX A

GUIDING PRINCIPLES

DEPARTMENT OF CITY PLANNING GUIDING PRINCIPLES

1. The updated Centers Concept as amended shall continue to define urban form of the City and should be implemented whenever possible until the adoption of a revised Urban Form Policy.
2. A more equal relationship between jobs and housing should be encouraged and facilitated.
3. Traffic congestion, as measured in vehicle miles and trips traveled, should be reduced.
4. Affordable housing should be preserved, rehabilitated, or replaced in kind if demolished to the extent feasible.
5. Affordability of existing residential housing should be preserved.
6. Increased housing production, particularly affordable housing and housing for special needs groups, should be encouraged and facilitated.
7. Adequate land and zoning capacity for projected housing needs should be encouraged and facilitated.
8. Preserve the current land use capacity and ensure no net loss of capacity in community plan areas. If there is a proposed action to reduce zoning capacity in certain areas such as existing low density neighborhoods, an equal amount of capacity shall be added with a preference given to high activity centers and transportation corridors in exchange for this reduction in the next community plan revision.
9. Reinvestment in economically stagnant areas should be encouraged and facilitated.
10. Ensure that new development is supported by adequate infrastructure.
11. Encourage mixed use development in appropriate locations, particularly in areas targeted for higher densities.
12. Public facilities shall be sited as to their need and in a manner to minimize their adverse environmental, social and economic impacts.

13. Locally unacceptable land uses (LULU's) shall be sited to maximize system efficiency, equitable distribution and compatibility.
14. Transportation and circulation systems must support and be interactive (i.e. internally consistent) with the land use strategies and rail and transit use should be maximized.
15. Higher densities, including new housing opportunities, should be supported in centers and transportation corridors where final decisions have been made regarding transit lines and station locations, or where substantial public investment in transit has been made.
16. Preserve low-density neighborhoods where planned.
17. Environmental impacts must be mitigated to the maximum extent possible when siting and approving projects and land uses, and the early implementation of mitigation measures rather than payment of mitigation fees should be encouraged.
18. Proposed actions should balance competing public objectives, including housing, jobs, transportation and neighborhood livability.

RAS:jlc
dw4.a:dcpl.doc
11-21-91
Revised 12-4-91/bp
Revised 12-11-91/bp
Revised 12-20-91/jlc
Revised 12-30-91/bp--a:dcpl.doc

ATTACHMENT A

AT RISK TABLES

SUMMARY TABLE A:**CITY OF LOS ANGELES****AT-RISK INVENTORY, BY GOVERNMENT ASSISTANCE TYPE**

Government Assistance Type	Units Potentially Converting Between 7/1/89 to 6/30/94	Units Potentially Converting Between 7/1/94 to 6/30/99	Units Potentially Converting After 7/1/99	Total At-Risk Dwelling Units
Section 202 (HUD)	564	0	0	564
Section 207 (HUD)	0	113	0	113
Section 221(D)(3) (HUD)	2,625	465	0	3,090
Section 221(D)(4) (HUD)	1,124	46	0	1,170
Section 231 (HUD)	26	0	0	26
Section 236(J)(1) (HUD)	5,098	2,853	0	7,951
Bond-Financed (HPPD)	337	1,625	782	2,744
Community Development Block Grant (HPPD)	0	0	1,765	1,765
California Housing Finance Agency	0	0	606	606
Community Redevelopment Agency	1,300	219	8,816	10,335
Density Bonus (HPPD)	8	166	1,906	2,080
Section 8 New Construction (HUD)	0	655	1,528	2,183
TOTAL: Before 6/30/89:	11,082	6,142	15,403	32,627 2,715
TOTAL AT-RISK UNITS:				35,342

SUMMARY TABLE B:**CITY OF LOS ANGELES****AT-RISK INVENTORY, REPLACEMENT COST VS. PRESERVATION COST**

Government Assistance Type	Replacement Cost	Preservation Cost
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$16,163,000	\$9,670,600
Section 221(D)(3) (HUD)	\$475,160,000	\$261,338,000
Section 221(D)(4) (HUD)	\$194,600,000	\$107,030,000
Section 231 (HUD)	\$3,640,000	\$2,002,000
Section 236(J)(1) (HUD)	\$1,186,640,000	\$652,652,000
Bond-Financed (HPPD)	\$380,618,000	\$179,524,920
Community Development Block Grant (HPPD)	\$245,336,000	\$125,406,920
California Housing Finance Agency	\$92,092,000	\$50,896,200
Community Redevelopment Agency	\$1,569,218,000	\$791,763,920
Density Bonus (HPPD)	\$305,753,000	\$161,713,880
Section 8 New Construction (HUD)	\$297,969,000	\$148,679,320
TOTAL COST:	\$4,767,189,000	\$2,490,677,760

Prepared by the Housing Preservation and Production Department**09/20/92**

SUMMARY TABLE B-1:**CITY OF LOS ANGELES****AT-RISK INVENTORY, REPLACEMENT COST VS. PRESERVATION COST
JULY 1, 1989 TO JUNE 30, 1994**

Government Assistance Type	Replacement Cost	Preservation Cost
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$0	\$0
Section 221(D)(3) (HUD)	\$367,500,000	\$202,125,000
Section 221(D)(4) (HUD)	\$157,360,000	\$86,548,000
Section 231 (HUD)	\$3,640,000	\$2,002,000
Section 236(J)(1) (HUD)	\$713,720,000	\$392,546,000
Bond-Financed (HPPD)	\$45,108,000	\$21,903,960
Community Development Block Grant (HPPD)	\$0	\$0
California Housing Finance Agency	\$0	\$0
Community Redevelopment Agency	\$175,875,000	\$82,747,840
Density Bonus (HPPD)	\$1,092,000	\$544,960
Section 8 New Construction (HUD)	\$0	\$0
TOTAL COST:	\$1,464,295,000	\$788,417,760

Prepared by the Housing Preservation and Production Department
09/20/92

SUMMARY TABLE B-2:**CITY OF LOS ANGELES****AT-RISK INVENTORY, REPLACEMENT COST VS. PRESERVATION COST
JULY 1, 1994 TO JUNE 30, 1999**

Government Assistance Type	Replacement Cost	Preservation Cost
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$16,163,000	\$9,670,600
Section 221(D)(3) (HUD)	\$65,100,000	\$35,805,000
Section 221(D)(4) (HUD)	\$6,440,000	\$3,542,000
Section 231 (HUD)	\$0	\$0
Section 236(J)(1) (HUD)	\$399,420,000	\$219,681,000
Bond-Financed (HPPD)	\$215,383,000	\$101,580,600
Community Development Block Grant (HPPD)	\$0	\$0
California Housing Finance Agency	\$0	\$0
Community Redevelopment Agency	\$29,771,000	\$14,170,120
Density Bonus (HPPD)	\$23,002,000	\$12,300,080
Section 8 New Construction (HUD)	\$91,700,000	\$50,435,000
TOTAL COST:	\$846,979,000	\$447,184,400

SUMMARY TABLE C:**CITY OF LOS ANGELES****AT-RISK INVENTORY, PUBLIC SUBSIDY REQUIRED FOR REPLACEMENT
VERSUS
PUBLIC SUBSIDY REQUIRED FOR PRESERVATION**

Government Assistance Type	Public Subsidy Required For Replacement	Public Subsidy Required For Preservation
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$12,884,841	\$1,588,667
Section 221(D)(3) (HUD)	\$395,081,261	\$26,133,800
Section 221(D)(4) (HUD)	\$161,804,052	\$23,300,519
Section 231 (HUD)	\$3,026,551	\$435,837
Section 236(J)(1) (HUD)	\$986,655,501	\$65,265,200
Bond-Financed (HPPD)	\$214,184,262	\$18,166,976
Community Development Block Grant (HPPD)	\$145,298,502	\$49,622,222
California Housing Finance Agency	\$72,785,543	\$31,589,743
Community Redevelopment Agency	\$947,399,163	\$430,076,621
Density Bonus (HPPD)	\$208,589,812	\$85,696,692
Section 8 New Construction (HUD)	\$277,340,945	\$128,051,265
TOTAL COST:	\$3,425,050,433	\$859,927,542
COST PER UNIT:	\$98,483	\$24,726

Prepared by the Housing Preservation and Production Department**09/20/92**

SUMMARY TABLE C-1:**CITY OF LOS ANGELES
AT-RISK INVENTORY,****PUBLIC SUBSIDY REQUIRED FOR REPLACEMENT
VERSUS
PUBLIC SUBSIDY REQUIRED FOR PRESERVATION
JULY 1, 1989 TO JUNE 30, 1994**

Government Assistance Type	Public Subsidy Required For Replacement	Public Subsidy Required For Preservation
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$0	\$0
Section 221(D)(3) (HUD)	\$305,565,206	\$20,212,500
Section 221(D)(4) (HUD)	\$130,840,111	\$18,841,571
Section 231 (HUD)	\$3,026,551	\$435,837
Section 236(J)(1) (HUD)	\$593,436,732	\$39,254,600
Bond-Financed (HPPD)	\$25,425,374	\$2,421,094
Community Development Block Grant (HPPD)	\$0	\$0
California Housing Finance Agency	\$0	\$0
Community Redevelopment Agency	\$132,864,462	\$52,700,142
Density Bonus (HPPD)	\$894,782	\$347,742
Section 8 New Construction (HUD)	\$0	\$0
TOTAL COST:	\$1,192,053,218	\$134,213,486

SUMMARY TABLE C-2:**CITY OF LOS ANGELES
AT-RISK INVENTORY, PUBLIC SUBSIDY REQUIRED FOR REPLACEMENT
VERSUS
PUBLIC SUBSIDY REQUIRED FOR PRESERVATION
JULY 1, 1994 TO JUNE 30, 1999**

Government Assistance Type	Public Subsidy Required For Replacement	Public Subsidy Required For Preservation
Section 202 (HUD)	\$0	\$0
Section 207 (HUD)	\$12,884,841	\$1,588,667
Section 221(D)(3) (HUD)	\$54,128,694	\$3,580,500
Section 221(D)(4) (HUD)	\$5,354,666	\$771,096
Section 231 (HUD)	\$0	\$0
Section 236(J)(1) (HUD)	\$332,105,727	\$21,968,100
Bond-Financed (HPPD)	\$120,613,377	\$10,517,012
Community Development Block Grant (HPPD)	\$0	\$0
California Housing Finance Agency	\$0	\$0
Community Redevelopment Agency	\$26,455,997	\$11,029,816
Density Bonus (HPPD)	\$17,467,351	\$7,332,431
Section 8 New Construction (HUD)	\$85,510,639	\$44,245,639
TOTAL COST:	\$654,521,292	\$101,033,261

SUMMARY TABLE D:**CITY OF LOS ANGELES - AT-RISK INVENTORY**

		Replacement Analysis		Preservation Analysis	
Planning Period	At-Risk Units	Cost	Public Subsidy	Cost	Public Subsidy
7/1/89 to 6/30/94	11,082	\$1,464,295,000	\$1,192,053,218	\$788,417,760	\$134,213,486
7/1/94 to 6/30/99	6,142	\$846,979,000	\$654,521,292	\$447,184,400	\$101,033,261
Prior to or After 10-year Planning Periods	18,118	\$2,455,915,000	\$1,578,475,923	\$1,255,075,600	\$624,680,795
TOTAL:	35,342	\$4,767,189,000	\$3,425,050,433	\$2,490,677,760	\$859,927,542
Cost Per Unit:			** \$98,483		** \$24,726

**Prepared by the Housing Preservation and Production Department
09/20/92**

****** Computation of Cost Per Unit excludes the 564 Section 202 assisted residential units. The total number of residential units for the cost analysis is 34,778.

SUMMARY TABLE E:

CITY OF LOS ANGELES

AT-RISK INVENTORY, PREPAYMENT PROGRAM, PLAN OF ACTION STATUS,
FEBRUARY 1993

Project Name Government Assistance Type	Address	Project Dwelling Units	POA Status
1555 St. Andrews Bldg. 236(J)(1)	1555 S. St. Andrews Place, Los Angeles, 90019	19	Pending Approval
1625 St. Andrews Bldg. 236(J)(1)	1625 S. St. Andrews Place, Los Angeles, 90019	19	Pending Approval
1819 St. Andrews Bldg. 236(J)(1)	1819-1823 St. Andrews Place, Los Angeles, 90019	13	Pending Approval
Alvarado Gardens 236(J)(1)	1800-1818 North Alvarado, Los Angeles, 90026	60	Pending Approval
Columbus Square 221(D)(3)	8557 Columbus, Los Angeles, 91343	64	Approved 2/05/91
Commerce Terrace 221(D)(3)	10330 Commerce Avenue, Tujunga, 91042	16	Approved 6/08/92
DeSoto Gardens 221(D)(3)	8728 DeSoto Avenue, Los Angeles, 91306	238	Pending Approval
Gramercy Place 221(D)(3)	1540 S. Gramercy Place, Los Angeles, 90019	21	Pending Approval
Granada Gardens 236(J)(1)	16700 Chatsworth, Chatsworth, 91344	169	Pending Approval
Hobart Park 221(D)(3)	2622 S. Hobart Boulevard, Los Angeles, 90035	16	Approved 1/25/91
Hobart Terrace 221(D)(3)	1922 S. Hobart Boulevard, Los Angeles, 90035	16	Approved 1/25/91
Kittridge Gardens I 221(D)(3)	6540 Wilbur Avenue, Los Angeles, 91335	128	Pending Approval
Kittridge Gardens II 221(D)(3)	6540 Wilbur Avenue, Los Angeles, 91335	80	Pending Approval
Lakeview Terrace 221(D)(3)	12514 Filmore Street, Pacoima, 91331	128	Approved 10/31/90
Magnolia Manor 236(J)(1)	1201 Magnolia Avenue, Los Angeles, 90006	15	Pending Approval
Oxford Park 221(D)(3)	1920 S. Oxford Street, Los Angeles, 90018	109	Pending Approval
Panorama View 221(D)(3)	9222 Van Nuys Boulevard, Los Angeles, 91343	87	Approved 6/27/91

CITY OF LOS ANGELES

AT-RISK INVENTORY, PREPAYMENT PROGRAM, PLAN OF ACTION STATUS,
FEBRUARY 1993

Project Name Government Assistance Type	Address	Project Dwelling Units	POA Status
Park Western Estates 221(D)(3)	1329 Park Western Avenue, San Pedro, 90732	216	Approved 11/7/90
Parthenia Townhouses 221(D)(3)	21218 Parthenia Street, Los Angeles, 91304	23	Pending Approval
Rayen Park 221(D)(3)	15233 Rayen Street, Los Angeles, 91343	84	Pending Approval
Reseda Park 221(D)(3)	6505 Reseda Boulevard, Reseda, 91335	136	Pending Approval
Roscoe Park 221(D)(3)	21025 Roscoe Boulevard, Los Angeles, 91304	82	Pending Approval
Reseda Village Green 221(D)(3)	6616 Van Alden Avenue, Reseda, 91335	144	Pending Approval
Runnymede Holiday 221(D)(3)	11750 Runnymede Street, Los Angeles, 91605	40	Approved 5/11/92
Sherman Park 221(D)(3)	17960-64 Sherman Way, Reseda, 91335	135	Pending Approval
Sherman Way Biltmore 221(D)(3)	17930 Sherman Way, Reseda, 91335	102	Pending Approval
Siejay Apts. 221(D)(3)	1421 S. Hoover Street, Los Angeles, 90006	72	Approved 4/16/91
St. Andrews Arms 236(J)(1)	1505-1511 St. Andrews Place, Los Angeles, 90019	43	Pending Approval
St. Andrews Gardens 236(J)(1)	2062 West Adams, Los Angeles, 90018	190	Pending Approval
St. Andrews Terrace 221(D)(3)	1529 S. St. Andrews Place, Los Angeles, 90019	27	Approved 7/17/92
Sunland Park 221(D)(3)	10836 Roycraft Street, Sun Valley, 91352	120	Pending Approval
Van Ness Terrace 221(D)(3)	1809 N. Van Ness Boulevard, Los Angeles, 90028	16	Pending Approval
Westmoreland Apts. 221(D)(3)	1701-1711 S. Westmoreland, Los Angeles, 90006	24	Approved 1/16/91
TOTAL POAs FILED:		2,652	33
Approved:		706	11
Pending Approval:		1,946	22

ATTACHMENT A: DESCRIPTION OF HOUSING PROGRAM

California Housing Finance Agency (CHFA)

Nature of Program: CHFA provides permanent financing to developers of multi-unit family, elderly, and congregate rental housing. Generally, the Agency makes below market mortgages available for those projects where a percentage of the units are set aside for low and very low-income residents. The multi-family mortgages have normally been fixed-rate, thirty-year loans bearing a below-market tax-exempt rate.

Flexible Subsidy

Nature of Program: Assists in restoring or maintaining the financial and physical soundness of privately owned, federally assisted multifamily housing projects; improving their management; and maintaining them for low and moderate-income people. Flexible Subsidy provides immediate cash for correcting deferred maintenance and replacements, financial deficiencies, and replacement reserve and operating deficits. Both the initial allocation and the continued receipt of Flexible Subsidy assistance are conditioned on a project owner's ability to provide management satisfactory to HUD.

Legislation establishing this program was enacted in 1978.

Project-Based Section 8

Nature of Program: HUD may pay rent supplements on behalf of eligible tenants to certain private owners of multifamily housing insured by the Federal Housing Administration. The payment makes up the difference between 30 percent of tenant's adjusted income and the fair market rate determined by HUD. However, the subsidy may not exceed 70 percent of the HUD-approved rent for the specific unit. HUD may pay the supplements for a maximum term of 40 years.

Legislation establishing this program was enacted in 1965.

Rental Housing Construction Program (RHCP)

Nature of Program: The funds available under this program were authorized by Propositions 84 and 107. Under RHCP, the California Department of Housing and Community Development (HCD) provides low-interest loans directly to project borrowers for the construction of new rental housing developments for occupancy by very low-income and other lower-income households.

ATTACHMENT A: DESCRIPTION OF HOUSING PROGRAM

Section 8 - Moderate Rehabilitation (HACLA)

Nature of Program: Provides a guaranteed income stream for up to 15 years to owners who, under contract with HACLA, rehabilitate housing for use by families eligible for Section 8 rental assistance. There are 475 Moderate Rehabilitation units already being administered by the HACLA. The most recent Moderate Rehabilitation projects target SROs. Currently, they have 296 SROs under this program.

Section 8 - New Construction

Nature of Program: Encouraged investors to develop, build, or rehabilitate housing which will be leased to low income persons. The rental subsidy has been committed to the property owner and not to the individual tenant. This program provided direct governmental loans, similar to the Section 202 program.

Section 202 (HUD)

Nature of Program: Long-term direct loans to eligible, private nonprofit sponsors to finance rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The interest rate is determined annually. Section 8 funds are made available for 100 percent of the Section 202 units for the elderly. Beginning in FY 89, rental assistance is provided for 100 percent of the units for handicapped people.

Legislation establishing this program was enacted in 1959.

Section 207 (HUD)

Nature of Program: HUD insures mortgages made by private lending institutions to finance the construction or rehabilitation of multifamily rental housing by private or public developers. The project must contain at least five dwelling units. Housing financed under this program, whether in urban or suburban areas, should be able to accommodate families (with or without children) at reasonable rents.

Legislation establishing this program was enacted in 1934.

ATTACHMENT A: DESCRIPTION OF HOUSING PROGRAM

Section 221(D)(3) (HUD)

Nature of Program: HUD insures mortgages made by private lending institutions to help finance construction or substantial rehabilitation of multifamily (five or more units) rental or cooperative housing for moderate-income or displaced families. Projects in both cases may consist of detached, semi-detached, row, walk-up, or elevator structures.

Currently, the principal difference between the program is that HUD may insure up to 100 percent of total project cost under Section 221(d)(3) for nonprofit and cooperative and mortgagors, but only up to 90 percent under Section 221(d)(4), irrespective of the type of mortgagor.

Special procedures have been established under Section 221(d)(4) for Retirement Service Center facilities, such as projects designed for the frail elderly.

Legislation establishing Section 221(d)(3) was enacted in 1954.

Section 221(D)(4) (HUD)

Nature of Program: HUD insures mortgages made by private lending institutions to help finance construction or substantial rehabilitation of multifamily (five or more units) rental or cooperative housing for moderate-income or displaced families. Projects in both cases may consist of detached, semi-detached, row, walk-up, or elevator structures.

Currently, the principal difference between the program is that HUD may insure up to 100 percent of total project cost under Section 221(d)(3) for nonprofit and cooperative and mortgagors, but only up to 90 percent under Section 221(d)(4), irrespective of the type of mortgagor.

Special procedures have been established under Section 221(d)(4) for Retirement Service Center facilities, such as projects designed for the frail elderly.

Legislation establishing Section 221(d)(4) was enacted in 1959.

Section 231 (HUD)

Nature of Program: To assure a supply of rental housing suited to the needs of the elderly or handicapped, HUD insures mortgages made by private lending institutions to build or rehabilitate multifamily projects consisting of five or more units. HUD may insure up to 100 percent of project cost for nonprofit and public mortgagors, but only up to 90 percent for private mortgagors.

Legislation establishing this program was enacted in 1959.

U.C. BERKELEY LIBRARIES



C101744707